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CIS

FEDERAL TRAVEL MANAGEMENT

HEARING

BEFORE THE

COMMITTEE ON
GOVERNMENTAL AFFAIRS
UNITED STATES SENATE
NINETY-SEVENTH CONGRESS
FIRST SESSION

JULY 30, 1981

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FEDERAL TRAVEL MANAGEMENT

THURSDAY, JULY 30, 1981

U.S. SENATE,
COMMITTEE ON GOVERNMENTAL AFFAIRS,
Washington, D.C.

The committee met at 9:07 a.m., in room 3302, Dirksen Senate Office Building, Hon. William V. Roth, Jr. (chairman of the committee) presiding.

Present: Senators Roth and Pryor.

OPENING STATEMENT OF SENATOR ROTH

Chairman ROTH. The committee will please be in order.

This morning, the Governmental Affairs Committee will hear testimony on a matter which has been of deep concern to members of this committee and to the taxpayers of this country: Travel by Federal employees.

We will hear from members of the interagency travel management improvement project, a group of agencies with broad authority over Federal travel policies, concerning a report they have prepared on the scope and management of Federal travel activities.[1]

The report is a landmark in a sense because it represents the first major effort to pull together all the available facts on where, how, and why Federal personnel travel.

This report is none too early because we have been told here in Congress time and time again, during committee hearings and in response to personal inquiries, that no one in Government knows how much money is spent on travel. We have never known how many trips are taken each year or where agency employees go and how they get there.

No comprehensive records have been kept, we have been told, on Government travel. The TV commercials which ask, "It's 9 o'clock, do you know where your children are?" could just as aptly be rephrased to "Does Uncle Sam know where his employees are?"

Fairly or not, this lack of information, and numerous examples of wasteful and abusive travel practices in the agencies, has convinced the American people that Federal employees are flying high with Uncle Sam. The "I'll fly now, you pay later" plan which the taxpayers believe they have financed has become a costly symbol of Federal extravagance. Too often, the taxpayers believe the bureaucrats have a "ticket to ride" and it is their backs on which the ride is taken.

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[1] See report on p. 105.

In short, the combination of some well-publicized abuses and a lack of concrete information from the Government have made the public cynical about the need for and purposes of Federal travel.

Let me emphasize that there is necessary travel of agency employees. For example, a serviceman moving to a new post is not and has never been at issue. What is being challenged is the nonroutine so-called administrative travel that seems so unnecessary to most people outside Washington and the seeming lack of strong management controls over Federal agencies and their traveling employees.

The $4 billion which is spent annually on travel by Federal employees has produced numerous examples of abuse and waste; roughly 16 million trips are taken by all agency employees each year, which means that some 40,000 personnel are in the air every hour of every day—enough to fill every jumbo jet in service in the private airlines today.

Over the last several years, many examinations have turned up necessary trips which can only be termed ripoffs of the taxpayer. For example, in 1978, the Interior Department sent two officials to a convention in Las Vegas at a cost of $1,100. One of the officials of the trip was only asked to make one speech, yet spent 3 days in the Nevada gambling center and listed such necessities as pool snacks on his travel voucher.

In another case, the FCC held a regional meeting in 1977 for 16 officials aboard the *Queen Mary*, the retired British luxury liner now used as a floating resort off Long Beach, Calif. The tab for the trip, nearly $10,000.

In one particularly egregious case 2 years ago, a small Federal agency based in Chicago had three officials who took 28 airline trips, at first-class accommodations, just during a 6-month period. One of these officials alone counted for 15 of these trips. Finally, in a 1977 sampling done by the GAO, about 17 percent of the trips taken by Federal employees to conferences were deemed not essential.

It is not just the amount of traveling nor the types of travel taken by agency employees which concerns many in Congress and in the public at large. Sloppy accounting and audit procedures, inefficient and costly travel voucher and approval systems, and a maze of impenetrable travel regulations present a picture of an uncoordinated and poorly managed travel system in the Federal Government. In fact, Government-wide travel regulations in the civilian agencies are so outdated and complex that agencies often write their own rules rather than comply with the jungle of across-the-board regulations. Government seems to have succumbed to its own disease of overregulation when it comes to travel management policies.

Congress has tried again and again to force the agencies to come to grips with this problem. Over the last several years, across-the-board travel cuts have been approved by Congress in an effort to make the agencies aware that we want this problem brought under control.

I am convinced that these actions had a great deal to do with the creation of the interagency task force and the release of this report. I am heartened by the hard work put into the development of the report and believe that it represents a promising start toward controlling unnecessary Federal travel.

A report, however, does not represent action. This committee hearing represents, in part, our concern that OMB, GSA, DOD, and the agencies act expeditiously to implement this report and curb wasteful Federal travel.

We have heard for far too long that no one knows how much Federal travel goes on. Now we do and the public is going to expect action.

I want to make it clear from the outset of this hearing that Congress itself is not exempt from the need to control excessive and expensive travel. Changes in trade or economic policies in foreign countries have a profound effect on our own economy and on the jobs and livelihoods of our citizens. The recent troubles in the auto industry point this up in stark clarity.

Members of Congress must, on occasion, travel to meet with policymakers in other lands to assess the direction in which policies in other nations are going and to attempt to persuade foreign leaders to change policies which may harm our Nation. These trips, however, do not excuse Members of Congress from very carefully considering whether or not a particular trip is necessary nor from taking the least expensive method of travel appropriate. Congress, too, must control the costs of travel.

I welcome our witnesses today and look forward to their testimony.

At this point I will insert in the record a statement submitted by Senator Percy.

[The statement of Senator Percy follows:]

PREPARED STATEMENT OF SENATOR CHARLES H. PERCY

I would like a commend Senator Roth for calling this hearing this morning. The announcement of a new policy for federal government travel which offers the promise of reducing the cost of travel without forcing federal employees to be prisoners of their offices is good news, indeed.

I share the concern of my colleagues over abuses in federal government travel. Without question, there have been serious abuses in federal travel, and it is important that we address these abuses. However, this should not blind us from the realization that travel is a necessary and vital part of the orderly function of government.

Any attempt to arbitrarily place an artificial ceiling on travel may result in the grounding of the real decision makers, at the middle level of most federal agencies. Regardless of what we do, I am of the belief that the high-ranking officials will continue to travel because there are few inside their agencies who would take the risk of challenging them. The travel budget may be axed for the eyes and ears of the executive agencies, but seldom for the luminaries. I note with interest a recent article quoting the deputy superintendent for the Illinois Board of Education saying its is impossible to get a proper handle on available federal programs without face-to-face meetings. The article in the Federal Times said that officials in Region V, Chicago, believed that a reduction in travel will result in less direct contact between regional agency staff and citizens, business, and local government in the hinterlands.

After saying all of that, let me point out that there are many ways to save travel money without sacrificing the travel? Let me give you an example. In August of last year, the Permanent Subcommittee on Investigations conducted a hearing on alcohol fuels in Springfield, Illinois. My Washington, D.C., staff who came to the hearing used Midway Airlines and changed planes in Chicago, although they could have flown non-stop to St. Louis. Once in St. Louis, they rented station wagons from a low-cost off-airport rental agency for the trip to Springfield. Because Midway Airlines was giving away a free trip to each revenue passenger, we banked the free trips and used them that fall on trips back to Illinois. As a result, the average cost of travel to Springfield was $92 per employee, instead of $312, plus the virtually-free use of two station wagons.

Another way of saving money is the General Services Administration's airline contract fare program started last July. The program, which started with four airlines, has now grown to close to 20 airlines and up to 150 direct routes. During the first year of its operation, the GSA program saved taxpayers from $17 to $19 million. This year, the contract program is expected to save an additional $35 million. On October 1, 1980, I wrote then-Chairman Pell of the Rules Committee asking for Senate inclusion. I am pleased to report that the Senate has now become a full participant in this program.

I also note that Allan W. Beres from GSA is here. Mr. Beres was instrumental in securing approval of this program, with GSA Administrator Gerald Carmen.

I understand that GSA has announced the extension of these contracts to include hotels and motels, household moving companies, and care rental agencies.

Despite the fact that the use of these contracts is supposed to be mandatory, I have received some disturbing news that one major federal agency—whose name I would rather not mention here—is regularly ignoring its use. I have already supplied the name of this agency to the General Accounting Office for investigation. This practice must be stopped.

I also understand that the GAO has found out there are no controls on consultant travel. Some consultants are asking the federal government to pay for first class airfares, five star hotels, and meals in lavish restaurants. Incredibly, the government is actually paying for these outrageous expenses. This practice must stop.

I also hope that the new policy to be announced today will include more professional assistance in making travel arrangements. We need to take advantage of travel agents to search out the lowest fares for federal employees. We can no longer afford the luxury of having untrained personnel unwittingly throwing away hundreds of dollars because of their lack of knowledge about the travel industry.

Again, I commend the inter-agency committee in proposing this new system of saving travel dollars. It has my full support.

Chairman ROTH. At this time I would particularly like to welcome as our first witness the Deputy Secretary of Defense, Mr. Carlucci.

TESTIMONY OF FRANK CARLUCCI, DEPUTY SECRETARY, DEPARTMENT OF DEFENSE, ACCOMPANIED BY DONALD B. SHYCOFF, DIRECTOR FOR OPERATIONS, OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE (COMPTROLLER), AND RICHARD D. WEBSTER, DEPUTY ASSISTANT SECRETARY OF DEFENSE FOR SUPPLY, MAINTENANCE AND TRANSPORTATION

Mr. CARLUCCI. Thank you, Mr. Chairman.

I welcome the opportunity to appear before the committee to answer your questions about official travel in the Department of Defense.

I have with me this morning Dr. Richard Webster, Deputy Assistant Secretary of Defense for Supply, Maintenance, and Transportation, and Mr. Don Shycoff, Director for Operations, in the Program/Budget Office of the Office of the Assistant Secretary of Defense—Comptroller.

With your permission, Mr. Chairman, before we address your questions, I would like to make a brief statement about the kind of trips we make and why, and also some of the actions we have taken to improve the management of travel within the Department of Defense.

A key point is that travel is not an objective in and of itself; it is instead a necessity required to conduct our business, an essential cost in fulfilling our program objectives. But, with all requirements, there is room for judgment in the determination of how much is essential and where there is excess.

Over the past several years the travel costs of Government programs in general have received increasing scrutiny. The Defense Department has been the subject of reviews both from within the Department and by others including the General Accounting Office and Congress. Recently Congress has made budget cuts which were aimed at reducing these costs.

Unfortunately, these across-the-board reductions affect areas which are critical to the readiness of our forces. The reductions do not distinguish between what we call administrative travel and mission travel.

Administrative travel is that for which the fundamental purpose could be achieved by other means. Some examples of mission travel include permanent change of station, military training and recruiting.

In our effort to reduce costs, we in DOD have pursued a number of innovations to improve our management of travel. The interagency travel report approves many of our efforts and recommends their use Government-wide. We are ready to assist in this effort.

One of the initiatives is to put into effect a better way of operating Scheduled Airline Traffic Offices [SATO] which exist on 166 of our military installations in the continental United States. These offices are staffed by airline personnel which, of course, reduces the number of DOD people needed. The offices have served our installations for a long time. But in April of this year, after conducting a test which uses new procedures, we signed a memorandum of understanding with the Air Transport Association which implements the new procedures.

The MOU requires maximum use of discounts and other reduced air fare options for official travelers. To insure that this policy succeeds, the ATA is providing our installations and the DOD traffic manager with monthly management reports which will document the use of discount fares and explain, if necessary, why the plan is not working. This effort is now in effect at 30 of the 166 locations. It is resulting in monthly savings of about $1.8 million.

As a result of our success, the General Services Administration [GSA] has also chosen to use this approach. They have executed a similar agreement with the air industry.

We are also preparing to test the use of travel agents. Again, the objective is reduced costs based on our volume of travel. We think that both SATO's and travel agents could be very helpful in managing our travel.

Different installations within the military services have differing travel needs. Some will be well-served by a SATO, others' needs are more suited to the services that travel agents provide. For example, extensive use of ground transportation might be better handled by a travel agent. This project required approval from GAO, action by the Civil Aeronautics Board [CAB] and submission of our test plan to the Defense Subcommittees of the House and Senate Appropriations Committees. These actions are in the final stages and we expect to release the request for proposal [RFP] to industry within the next 2 months or so, after we have chosen the test sites. We hope to realize additional savings as a result of this test.

Over the past 18 months we have worked with the General Services Administration on a project to obtain from the airlines reduced cost fares for official Government travelers.

We identified the cities to and from which most Government travel occurs and then GSA asked for bids to provide service between these cities at reduced rates. Currently, 14 airlines are participating in the program providing reduced cost air transportation over 79 routes. This program has saved approximately $13.5 million is projected for the current contract period from July 1981 to July 1982. The program will be even more important to us as air fares continue to rise.

Looking to future execution of the travel report recommendations, DOD will be leading an interagency effort to streamline travel entitlement policies and reimbursement procedures. This will involve:

Overseeing revision of the travel entitlement policy and regulation manuals;

Developing a locality-based per diem policy;

Developing a common approach for setting reimbursement rates; and

Overseeing the development and installation of simplified voucher processing approaches.

A recent GAO report stated that the current reimbursement procedures are too complex. In 1979, they resulted in travel voucher processing costs of $400 million. The report estimates that simplifying these reimbursement policies and procedures should save $67.9 million annually.

This will be a difficult task, the success of which depends on interagency cooperation, particularly among DOD, the Department of State, and the General Services Administration. But the savings which should result are well worth the effort.

The report also recommends that DOD try to obtain the same favorable international air fares for other Federal agencies which we have been able to obtain for ourselves. We will also be pursuing that objective soon.

One final action which I have recently directed in the development of a plan, in coordination with the Army and the Air Force, to improve the management and procurement of domestic passenger transportation services. This plan will set forth clearly the passenger movement responsiblities of the Military Traffic Management Command [MTMC] and the Military Airlift Command [MAC], and installation transportation officers. I am sure we can improve our management in this area and, more importantly, our ability to meet the requirements for movement of personnel in time of war.

This concludes my statement, Mr. Chairman. I realize that I have not covered all of the matters addressed in the report, but I and my colleagues are prepared to answer your questions.

Chairman Roth. Let me start out by saying that I appreciate your coming here. I know you are extraordinarily busy, and I think we are fortunate to have a man of your capability in the Deputy Secretary's position at DOD. As one who believes strongly that we have to build up our defense, I have to emphasize that I think it is extremely important that as we increase defense expenditures, that the American public becomes persuaded that the money is well spent. In all candor I do not think the public or the Congress feels that in the area of travel much of the money is well spent. And that includes the Department of Defense.

I think this is an area that should be of special concern to Federal managers. I would point out that recently in this committee and on the Senate floor, we voted, and I supported a $500 million reduction in travel because of my personal conviction that there has not been the kind of stringent controls and administration that must be maintained. I do want to emphasize that I recognize and approve of travel. Much of it is essential and necessary for the discharge of the mission of the Department of Defense.

At the same time, it is a tremendously large item in our budget and one of the things that has concerned me in the past has been sometimes the attitude, and I am not just talking about the Department of Defense, I am talking about other agencies and some of the thinking up here, that travel is kind of a perk, that Government does not pay well and, it is a nice kind of benefit to give people. Obviously if this attitude is taken at the top side, one can hardly expect those down the line to behave differently because they see what their superiors are doing. So that we always have a number of bad cases and abuses that I think give rise to much of the problems. I say this because I think this is going to be a continuing problem until Congress and the others become convinced that each agency is doing what it can do.

I would like to get away from that area for just a moment. Much of your spending, of course, is in movement of troops, bringing transfer of stations and so forth. There are some, at least in the service, who have said to me, and I found this to be also true in the private side, that many of the families would be happy if they weren't transferred as often as they are; that it creates a very serious impact on families to have their length of stay at a particular office or station be relatively brief.

Is this a matter that Defense has looked into, whether its current policy of rotation is desirable, that policy being that in order to be promoted through the officers corps and noncommissioned ranks, it is important that you be transferred and have different experiences? Because nobody can quibble, or should, with the cost of rotation, but it does seem to me this is a policy that might be looked at to see whether or not we have the best policy for the efficiency of the military.

Mr. CARLUCCI. In answer to your question, Mr. Chairman, yes, we have. Before I get to that, let me comment on the broader thesis that you set forth. We agree thoroughly that in order to maintain a consensus for a strong defense, we in the management end of DOD have to move effectively to eliminate waste and inefficiency wherever we find it.

Two days ago I testified before the Armed Services Committee on a comprehensive five-point program directed at reforming internal management, reforming the acquisition cycle, stepping up our audit processing, eliminating low priority programs, and revitalizing our industrial base. Essentially we have to induce good management practices throughout the Department, including the travel area. The travel management report does say, on page 25, that

DOD does have a well-developed system of travel management policies through the military traffic management regulation. This does not mean, of course, that we are perfect and there are areas where we can tighten up. We also agree thoroughly that the example has to be set at the top. Travel is not a perk. It is essential to performing a mission and that is the attitude we intend to take in the Department of Defense.

The services have reviewed their rotational policy. You obviously have to strike a balance between the needs of the services and the needs of the individual. But by and large the services have concluded that they can extend normal tours. For example, the Army has recently extended its normal command tour from 18 to 24 months and there are efforts in all the services to move toward a consolidated single unit training.

We plan to continue this effort and make certain that the tour of duty is long enough so that a person can function effectively on the job, and at the same time meet the overall needs of the service.

We do think there are ways that we can bring down some of our travel costs by lengthening the stay at a station.

Chairman ROTH. Let me say as one, admittedly, who is not an expert, I urge that we take a hard look at this, because I find in these areas, both in the private and public sector, that it is very hard to change past practices.

There are strong convictions in the minds of particularly the senior management that there is great merit in rapid change. When we are talking about millions of dollars like we are here, this could be a very meaningful change, and I think we go back to the question of maintaining people in the armed services. The family life is a very important factor so that it cannot afford to be downplayed if we are going to have a volunteer Army.

One of my real concerns is that a few bad cases can put this whole area into disrepute. We have some illustrations here. For example, it has come to the committee's attention that at a Navy rework facility in Pensacola, a meeting was held 40 miles away from the base at a Holiday Inn at the cost of $7,000 to the taxpayer when the meeting could have taken place on the base. I don't expect you to have a specific answer, but I think it underscores the kind of problem we face.

A few bad examples underscore a very serious problem. Are there any steps being taken to try to avoid having these meetings at Las Vegas and other places that give rise to such criticism?

Mr. CARLUCCI. Mr. Chairman, the Department has a combination of military and civilians which amount to 3 million people, and you are bound to have some bad examples. Our goal is to cut down on the number of bad examples.

Hopefully, we can eliminate them, but I do not think that is a practical possibility.

Yes, we are discouraging travel to some of the lusher locations. I can remember I, myself, canceled one planned conference at a rather lavish location. Our managers throughout the Department have instructions to exercise great prudence and caution in organizing conferences to make sure the conference is held at the most convenient location to all concerned and that there is nominal propriety, a perception of propriety.

Chairman ROTH. Are there any procedures within the Department of Defense to take appropriate action where these kinds of conferences are held?

Mr. CARLUCCI. This is a fundamental responsibility of management and each supervisor is held accountable for the activities of his subordinates. Where it is an egregious enough offense it, of course, rises to my level or the level, on occasion, of the Secretary. But I do not think it is practical to set up a mechanism outside the area of command to check on this. My experience in Government has been that it frequently develops into a bureaucracy of its own. Perhaps one of my colleagues would like to comment.

Chairman ROTH. I agree with you on one of the problems, every time you have a bad example, and you set up special procedures, you set up more redtape and cost.

What I am suggesting, when there are these cases of improper travel, that within the system, there ought to be assurances that those who are responsible put it down in the fitness report, as appropriate. If we just ignore it, then I think you are never going to correct it.

As I say, we are not talking about peanuts. If you look at the fiscal year 1980 breakdown of the DOD travel budget, you find that in the category entitled "Informational Meetings," that that makes up a figure of $691 million, which is roughly 9.61 percent of the defense budget. I am not quite clear. I wonder if you would explain what an informational meeting is and why is travel in this category more than five other categories?

Mr. CARLUCCI. Mr. Chairman, your figure does not correspond with the figures I have. Maybe one of the people accompanying me can clarify. The $600 million figure for "Informational Meetings" greatly exceeds the figure I have for the entire administrative travel account, which is $160 million.

Chairman ROTH. These figures that I have are GSA. They are for the fiscal year 1980 travel data for agencies spending more than $5 million annually on transportation of people.

Mr. CARLUCCI. Let me give you the figures that we have. Our total direct travel is $2.7 billion, of which military permanent change of station travel is $1.1 billion and mission travel, which I defined in my statement, is $1.4 million, leaving approximately $160 million for administrative travel. The kind of conferences that you refer to would normally fall in the area of administrative travel. So I am quite puzzled by the figures.

Chairman ROTH. As I say, these are figures given to us by GSA.

Mr. CARLUCCI. Obviously that figure is a different breakdown, which must include mission travel as well. Are you talking about the number of trips and not dollars, Mr. Chairman?

Chairman ROTH. No, it is Department of Defense, and it breaks down causes and purposes of travel, site visits, which is one category—yes, give him a copy.

Mr. CARLUCCI. I now have the sheet which you are referring to, and I believe the 691,000 figure is the number of trips. Total costout at the end of the line—if you add all these categories, site visits, information meetings—that is number of trips. That figure provided is a breakdown of the number of trips by types, information meetings, training, speech presentations, conferences——

Chairman **Roth**. All right. Let me then rephrase the question. We still have 8.61 percent of travel for information purposes, at least according to this breakdown, we can't say necessarily whether that is 8 percent of the cost or not. Regardless, though, we have to agree that it is a large number of trips for that purpose.

What I am trying to get at, is any effort made to review whether that number of informational trips are essential to the mission of the Department of Defense? What management controls are there to insure these are of importance?

Mr. **Carlucci**. Once again, Mr. Chairman, that is a fundamental responsibility of line management and each individual supervisor is responsible for assuring that travel to nonessential meetings is not excessive.

On the other hand, I would note we are introducing a wide variety of new weapons systems. There are new concepts and new ideas and we do have to exchange information in order to make certain that our entire system functions effectively.

The answer to your question is that that is a responsibility of line management.

Chairman **Roth**. I would just point out, Mr. Carlucci, this is obviously an area of concern to the Congress. It is going to continue to come up. I think you are going to continue to face the kind of across-the-board cuts that have been enacted in recent years, and I think it is extraordinarily important that there be evidence that somewhere in the management of the Department, that a real effort is made to insure through the line command, that these are carefully reviewed and limited to essential travel, or otherwise we will continue to have problems.

Mr. **Carlucci**. We agree, Mr. Chairman.

Chairman **Roth**. Senator Pryor.

OPENING STATEMENT OF SENATOR PRYOR

Senator **Pryor**. Mr. Chairman, I would just like to compliment you on holding this hearing. This has been an issue that you have been very involved with as have other members of this committee. Senator Sasser of Tennessee has been someone who has been very vitally concerned with the issue of Federal travel. I think it is a splendid idea that you convened this hearing this morning to discuss some of it.

I will submit my statement for the record.

[The statement follows:]

Prepared Statement of Senator Pryor

Mr. Chairman, before I begin I would like to commend you for holding this hearing on Federal Travel. All too often, I believe, federal officials travel for less than adequate reasons. I recall an incident when fourteen federal officials from Arkansas came to visit me and the other members of the Arkansas congressional delegation about the appropriation for a program which employs them. They flew at federal expense, of course. Fourteen employees spent about $300 per plane ticket from Little Rock to Washington, plus hotel, meals and the time away from their work back home. A simple $5 phone call would have sufficed and would have gotten the message to us in our congressional offices.

We must curtail this type of federal travel, and this is the time to start. We must change this syndrome or mind set we have fallen into, in which people think these travel dollars "belong to someone else." It is simply outrageous.

Travel is certainly a necessity for effective functioning of government, but it seems that business-like attitude is the exception rather than the rule. Every successful business learns at one point that unnecessary expenses have to be minimized. The government has not yet learned this lesson. Until it does I think the executive branch will have to become accustomed to across the board reductions such as that recently approved in the Reconciliation conference where we reduced federal administrative travel by $100 million in fiscal year 1982.

I am hopeful that today's hearing will shed some light on this problem and solutions to the problem. Senator Sasser and I have both, in the past, given special attention to this area and I think legislation and spending cuts will continue to be necessary until we see better management and cost savings in this area.

Senator PRYOR. At the outset, Mr. Carlucci, in watching this issue develop over the last couple of years, I would just like to say, as one Member of the Senate, that in no way have I ever sensed the intention of the Senate, House, or any of us in any way to jeopardize critical travel as it relates to our national defense posture.

I don't think that anyone in the Congress is trying to do that. What we are attempting to do, and I don't want to misspeak the chairman, is to bring under control an area of expenditure which I feel, and I think many of us feel, is being abused to a very large extent.

Just a year or so ago, relative to an appropriation measure which affected programs in our State, I will just give you an example of what I think is an abuse. I met in my office, and I assume they went to all the members of the congressional delegation, 14 people from the State of Arkansas. They had gotten on an airplane and come to Washington, spent 3 days, tickets costing somewhere in the neighborhood of $350 round trip, stayed in a very nice hotel, and basically came around to each congressional office.

Well, I don't mind seeing constituents. I could have easily seen those constituents in our Little Rock office, and would have made an appointment there.

I think, too, that had these 14 individuals wanted to write me a letter expressing their concerns, it would have been more economical. They could have picked up the telephone and called me about their particular problems. But this is only an example of a mentality that I think we have throughout the whole Federal system. I think many Federal employees consider travel, of going to a convention, to be an extra perk, which is added on as part of their responsibilities, let's say, in their line of duty that they sort of deserve to be able to go to a convention from time to time or travel to Washington or wherever.

One question that I do not know if Senator Roth has discussed, and something I don't know if we do in the Federal Government—I am not as acutely aware of the facts as I should be with regard to Federal travel, but does the DOD list the number of conferences and the number of personnel who attend those conferences?

Mr. CARLUCCI. Do we list them publicly?

Senator PRYOR. List them so the Congress can look at them?

Mr. CARLUCCI. We do keep records of travel vouchers.

Senator PRYOR. For example, is it the Interagency Task Force on Travel?

Mr. CARLUCCI. That report does have a breakdown of the types of travel.

Senator PRYOR. And the number of people, personnel who attend these meetings?

Mr. CARLUCCI. Yes, sir.

Senator **Pryor**. Would the number of personnel in the Department of Defense be on the increase or the decrease as to the attendance at conventions, conferences?

Mr. **Carlucci**. The number of people in Defense as a whole is going up, so I would anticipate there would be some increase, but let me ask some of my colleagues.

We have to submit something for the record, Senator Pryor, on the particular category.

Senator **Pryor**. I remember during World War II, there used to be billboards around saying, "Is this trip necessary?" I think it is probably a question we should ask ourselves in the Federal Government because it has been abused.

Mr. **Carlucci**. May I say, Senator Pryor, that your experience with lobbying is not unique. If I may indulge the committee, about 10 years ago I was Director of OEO and some 50 people came in from Los Angeles to hold a demonstration in OEO. They virtually held me prisoner for an entire day.

I subsquently discovered that OEO had paid for their travel. I disallowed that voucher.

Senator **Pryor**. I have just been handed a chart here of 1980 travel. It looks like DOD has some 8 million travels or trips. I don't know how that is computed. To me that seems absolutely astronomical.

[The chart referred to follows:]

DOD Conference Travel

Presently, the Services do not maintain records containing separate breakouts of reasons for travel. However, the GSA reports to Congress covering travel for Fiscal Years 1979 and 1980 provide some interesting data on DOD conference travel. Based upon figures taken from a sampling of vouchers, it indicates that despite an overall growth in travel (increase in estimated number of travel vouchers submitted), there was a decrease in DOD conference travel in fiscal year 1980. A detailed breakout of the data follows:

	Fiscal year 1979	Fiscal year 1980
Estimated total vouchers submitted [1]	7,082,430	8,034,309
Estimated number of vouchers involving conference travel [1]	383,744	307,714
Percent of total travel	5.1	3.8

[1] Based upon voucher sample.

Mr. **Carlucci**. Senator Pryor, we are a very large department, and that includes the Military Establishment. There are a lot of very essential functions.

Senator **Pryor**. Mr. Carlucci, I am not talking about essential functions. I am not talking about trips that will make us go to bed and sleep better at night. I am talking about conferences and conventions and I am talking about those trips that are unnecessary and do not relate to our national defense posture.

That was 1980. This is 1981, I realize this. But I think, too, it is necessary we find a breakdown of what we call administrative travel in the Department of Defense, vis-a-vis the travel of our military personnel and our soldiers who must be transported from one post to the other. I am not one who says we have to undermine the transportation of our military personnel. I am not one who is saying that, but I think there is a tremendous amount of waste in

DOD when you look at facts and figures. What is happening right now to correct this?

Mr. CARLUCCI. The Interagency Travel Management project report lays out a series of recommendations. It also commends DOD for its military travel regulations. We, as I indicated in my statement, are working with the airlines to achieve a number of efficiencies. We have far fewer blanket travel orders than most Government agencies. Generally we feel that we have adequate controls in the Department of Defense, and if I may, even administrative travel can be very important. Such things as sending people out to examine the possibility of contracting out Defense Department activities, command inspections, Reserve command visits, Reserve participation, all of these things are important, even though they come under the category of administrative travel.

Also, if you look at the complexity of our weapons systems, it is important that our people have proper training to operate them, as they become increasingly complex. So if you cut back on travel in some instances, then it will result in even higher costs.

Senator PRYOR. Just looking at these figures, estimated annual voucher payments of $2 billion in DOD.

Mr. CARLUCCI. Total travel, as I indicated, is $2.7 billion, of which $1.1 billion is military permanent change of station travel. Mission travel, and that is travel, the fundamental purpose of which cannot be accomplished by other means, is $1.4 billion, and the other category is currently $160 million, but when we put together the 1982 amendments, we took a voluntary reduction of $20 million in that category. So that figure will be coming down.

Senator PRYOR. Common carrier costs of some $670 million, I believe, the figures would be in that rough area.

Mr. CARLUCCI. That may also include military permanent change of station.

Senator PRYOR. Conference attendance, 307,714.

Mr. WEBSTER. Mr. Pryor.

Senator PRYOR. Yes.

Mr. WEBSTER. Relative to the conference attendance number with the complexity of our weapons systems there is a very strong need to communicate technical and cost problems with the contractors and also many of these conferences are industrywide with DOD participation. Regardless of the fact that they need us there to communicate with them and, of course, we need to be there to hear what they have to say, we usually attempt to follow the rule that we don't send people to conferences unless they have a direct need to participate in that conference as panelists, speakers, or the like. That is the general way we try to manage that number.

Mr. CARLUCCI. For the record, Senator Pryor, the figure you read, I believe, was the number of trips, not dollars.

Senator PRYOR. That is correct, that is trips. And the average trip duration is 8.45 days. I am just citing some of these things because I just have the feeling if we really look harder and try harder, that we can cut this. I think we can cut a large percentage of this out without damaging the military preparedness. I just wanted to bring this matter up for discussion.

Mr. WEBSTER. You may be pleased to know as a result of the DOD-wide productivity program, which was initiated within the last year, that productivity methods using new technology such as teleconferencing will probably aid us in reducing the number of people going to conferences.

Senator **Pryor**. Thank you very much.

Thank you, Mr. Chairman.

Chairman **Roth**. Mr. Carlucci, I know you have other business this morning, and cannot stay, so I don't want to extend the period.

I do want to make one or two observations, along the lines of what Senator Pryor just said.

One of the things that does concern me, that in this interagency study, it revealed that no purpose could be identified for 27 percent of the trips and the vouchers sampled. I make the observation—that is throughout Government—that such past practices don't hold for today as Congress is faced with some very serious cutbacks in social programs, that travel is no longer seen as a critical priority. We all agree, and will support you, on essential travel, but we have to find ways and means to cut down in those areas that are less critically important.

I think in all fairness, some of the travel, even in the Department of Defense, comes under that category. I am not interested in demagoguing a few isolated cases, but I am interested in assuring that within the management controls of the Department of Defense, as we spend more money, that we reduce to the essential what travel you have.

So I would ask you this—we do have some further questions which I will submit for the record, but this is a matter that Congress is going to continue to be interested in and unquestionably we will want representatives to come back 1 year from now. I think it is particularly important, that we put in motion those steps that are essential to insure that we reduce travel. While we do have telephones and, as Dave Pryor said, it is nicer to be there in person, we cannot afford when we are facing what some people say will be a $10 billion increase in the defense budget in fiscal 1982 than is currently predicted. I don't know if that is accurate or not, but I do ask that you have your management people take a tough look and try to maintain as stringent controls as you can so we can put this whole matter to rest.

Mr. **Carlucci**. We agree, Mr. Chairman. I think this hearing has served a very valuable interest in reinforcing the interest of Congress in bringing this under control. As I indicated to Senator Pryor, we voluntarily took a reduction in our 1982 budget amendments, of $20 million. There are certainly more things we can do.

We think the interagency travel management improvement project is a step in the right direction. As you are aware, DOD has a major role to play in the implementation, as to the quantity of our travel, but also as a result of some of the innovations that we have brought about. We don't intend to let the matter rest there. I think there are additional things we can do and intend to do them.

Chairman **Roth**. In closing, we did have some questions with respect to contracts for travel, but as I said, we will submit those questions.

Thank you very much, Mr. Carlucci and gentlemen.

[The responses to written questions submitted by Senator Roth follow:]

WILLIAM V. ROTH, JR., DEL., CHAIRMAN

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United States Senate
COMMITTEE ON
GOVERNMENTAL AFFAIRS
WASHINGTON, D.C. 20510

August 19, 1981

Mr. Frank C. Carlucci
Deputy Secretary of Defense
Room 3E944
The Pentagon
Washington, D.C. 20301

Dear Mr. Carlucci:

I would like to take the opportunity to thank you on behalf of the Committee for appearing and testifying at our recent hearings on Federal Travel Management. Your testimony provided us with valuable information and a strong data base on which the Committee may better understand and deal with the problems of control and management of travel.

To provide a complete and detailed Committee Record I have enclosed a series of written questions to which I would appreciate a response within two weeks. These written questions and your answers will be included in the Record for further Committee study.

Again, thank you for your participation in our hearings.

Sincerely,

William V. Roth, Jr.
Chairman

WVR:sb

THE DEPUTY SECRETARY OF DEFENSE
WASHINGTON, D.C. 20301

SEP 19 1981

Honorable William V. Roth, Jr.
Chairman, Committee on Governmental
Affairs
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

This is in response to your letter of August 19, 1981, which forwarded additional questions regarding federal travel management for the Committee record. I share your interest in this important area, and I hope you will find our responses to your questions thorough and complete.

I have taken several additional initiatives to improve travel management within Defense since our meeting at the July 30 Committee hearing. On August 13, I asked all DoD components to replace renewed emphasis on the review and approval process we use to scrutinize travel to conferences and seminars and to begin using less costly means, such as conference calls. In addition, we are going out for bids to conduct a test using contract travel management agencies at four of our large military installations. Finally, we have been working very closely with the Office of Management and Budget to formulate methodology to implement the recommendations in the July 30 Presidential Memorandum and the Interagency Travel Management Improvement Project report.

I consider the past performance of DoD in managing its travel highly effective. I assure you that it will continue to receive constant scrutiny.

Sincerely,

Frank C. Carlucci

Enclosure

Questions and Answers

Question 1: DCAA (Defense Contracting Audit Agency) has been reporting for years that contractors have been charging off their fleets of aircraft to the government at significantly greater costs than that of commercial transportation. Why hasn't DoD corrected this problem? Why should taxpayers foot the bill for contractors aircraft? Is there any reason why contractors shouldn't travel as government employees when they are involved in government work?

Answer Corporate owned aircraft do cost more in some cases than use of commercial airlines (traveling as government employees). However, in reviewing corporate expenses to determine reasonableness, the Government considers more than the company flight cost versus commercial fare cost. Use of corporate aircraft may be necessary in those instances where the contractor has far flung operations, many of which are not served on a convenient basis by commercial carriers. In determining reasonableness, the Government takes into consideration flight costs, ground transportation costs and cost of executives time. The use of corporate aircraft may be cost effective due to significant savings of executives time to perform specific tasks. Further, contractors use their aircraft for other purposes such as transporting spare parts, equipment and records which are involved on government contracts thus saving freight costs. The DoD is aware of costs involved with corporate aircraft and reviews these costs to assure their reasonableness and allowability on government contracts using all available facts and circumstances. Flights of an entertainment, non-business or advertizing nature are not reimbursable by the government.

Question 2: DoD uses 63.1 percent of the entire travel budget in government. How can we be assured that waste and fraud is kept to a minimum?

Answer At the request of the Assistant to the Secretary of Defense (Review and Oversight), the Defense Audit Service initiated a comprehensive review of DoD travel on August 1981. The purpose of the review will be to determine the adequacy of internal controls for requesting, approving and processing travel order and subsequent payment of related travel claims.

The initial phase of the review will include a vulnerability analysis to identify those areas of travel that have a high potential for fraud, abuse or illegal acts and therefore require priority attention. Specific areas of concern already identified for review include use of general travel authorizations, conference travel, first-class travel and overseas travel.

As part of a continuing review and oversight effort of travel practices in DoD, the Defense Audit Service will also be developing detailed audit guidelines for use on a continuing basis by the internal audit, and internal review organizations within the Department of Defense.

Question 3: In reviewing the GSA breakdown of DoD transportation of people contained in their June report to Congress, I see several categories of travel including site visits, informational meetings, training attendance, speech or presentation, conference attendance, relocation, entitlement travel, special mission and others. Could you provide us with an explanation of each of these categories to assist us in a better understanding of DoD travel?

Answer The categories of travel used in the GSA report were initially developed by the Interagency Travel Management Improvement Project Group to identify in broad and consistant terms the purposes of Federal travel. These categories have since been used in the ITMIP report and in two GSA reports on travel to the Congress. An explanation and examples of these different categories are at enclosure 1.

Question 4: Recent reports indicate that the Administration is preparing provisional cuts of 5 percent in the spending plans of each of the military services next year if the economy does not perform as expected. Do these provisional cuts include reductions in travel in the services?

Answer Travel is not a DoD program. Travel is only one element of cost included in any particular program. Therefore, any reductions that are taken would reduce travel to the extent that travel was a cost element in the program or programs cut.

Question 5: A recent article in a major magazine quotes a Pentagon travel officer as saying "We get 10 travel requests a day for first-class travel that shouldn't be cleared. In a years time, this easily adds $50,000 to my division's travel costs. A lot of these trips get approved because we don't have the staff or time to investigate all those that look suspicious." Have things improved in this regard since you have assumed your duties? How much travel done by Defense personnel is first-class as opposed to other, cheaper classes?

Answer Yes, We believe they have. We have emphasized the need to reduce travel costs and to improve travel management. Let me assure you that we do not abuse the use of first-class travel in DoD. During the six-month period from October 1980 to March 1981, there were only thirty (30) first-class trips made by DoD Civilian employees. Those 30 trips increased our travel costs by less than $8,000. The FY 80 GAO report to Congress on travel management pointed out that the additional costs associated with first-class accommodation usage do not appear to be significant nor does there appear to be excessive or improper authorization for such use. The FY 80 data clearly shows that only $19,692 additional cost was incurred as a result of use of first-class travel for all DoD employees as compared to our total common carrier usage cost of $670,814,065. Finally, in some instances there is only one airline going between two points, and the only class offered by that airline is first class. The JTR clearly authorized first class in this circumstance.

Question 6: Recent reports indicate that the Defense budget may be as much as $10 billion higher in FY 83 than currently predicted. Is the Department planning more stringent reductions in travel based on these projections?

Answer As discussed above, travel is merely one element of cost within any one DoD program. DoD programs are prepared to include only the essential travel required to support operational goals. We will continue to review travel execution to insure that only the most essential travel is being performed at the most efficient cost.

Question 7: Travel, as a generic term, includes transportation of equipment as well as personnel. There is some possibility for cleaning up waste in this area too. For example, the Air Force bases many of its giant C-5A transport aircraft in California even though they are used primarily on transatlantic hauls. The result is that empty planes criss-cross the U.S. gobbling up 73 million gallons of fuel and $40 million a year in the process. Is this still done, and if so, why?

Answer Air Force C-5A aircraft are not used primarily for transatlantic cargo movement. Analysis of total peacetime cargo movement shows that in 1980 total air cargo movement in the Pacific and the Atlantic in terms of ton-miles was balanced. Aircraft are stationed on both coasts in order to provide wartime flexibility and to respond to fluctuating peacetime requirements. Some aircraft do fly missions from the opposite coast but these aircraft are efficiently used to satisfy cross-continent and Tinker AFB to offshore destination cargo requirements. Between January 1979 and May 1980 only 1.3 percent of the total C-5A flying hour program was used in actual positioning and depositioning missions.

Question 8: In terms of travel, air transportation is far and away the most common form of travel. In the Defense Department each of the Services has its own air force used in part for transporting people and things. According to GAO, the overlap in repair facilities for these air forces costs between $250 and $400 million annually. Can't these overlaps be eliminated and costs reduced?

Answer By far, the greatest portion of air transportation for the Defense Department is accomplished by commercial and contracted sources. Only a small portion of the aircraft in DoD's inventory is used in peacetime for the transportation of equipment and personnel and many of these flights are used to provide peacetime training to pilots and crew members and to provide an opportunity for them to maintain their proficiency.

With regard to reducing the costs cited in the 1978 GAO report, the GAO stated that "...the cost to the DoD of unused commercial production capacity ranges from $250 million to $400 million annually." GAO did not report that duplicate maintenance facilities within the DoD cost between $250 million and $400 million annually.

Actually, the $250-400 million figure is based on a 1975 DoD/OMB study which estimated that if the aircraft industry could have been totally reorganized to the size needed to "efficiently" support its workload at that time, aircraft industry costs would have fallen about $530 million to $800 million per year. Because DoD accounted for 47% of aircraft industry sales at that time, the study estimated that DoD's share of the "savings" was $250-$400 million."

In reality both the 1975 DoD/OMB study and the 1978 GAO report have been overtaken by events. For example, a 1979 study by the System Planning Corporation (SPC) shows that the original DoD/OMB study demand projections were conservative in projecting the extent and timing of the upturn in commercial transport activity prior to the Air Traffic Controllers' Strike. The SPC study predicts continued increases in capacity utilization during the next decade, chiefly due to commercial and general aviation sector improvements.

Since SPC's study, there has been an upswing in industry sales and output, particularly in transports and helicopters. Consequently, industry's "extra" capacity has virtually been eliminated -- even earlier than predicted by SPC. In fact, for the first time since World War II, parts of the aerospace sector have become so saturated with orders that delivery lead times of one, two, and even three years are common.

Question 9: I am interested in obtaining detailed data on the issue of duty rotation. How much of the Department's travel budget goes for permanent change of station, and would you please provide a breakdown on a service-by-service basis?

Answer The detailed data you requested on the issue of duty rotation are at enclosure 2. The PCS program is frequently perceived to be a reflection of an excessive tendency in the military Services to move their people around. The number of moves is sometimes compared to the total military strength, creating the impression that more than half the total military population moves every year. For example, the 1,374,089 moves planned in FY 1982, when compared to the FY 1982 end strength of 2,119,900 would seem to require that 65 percent of the population would move in 1982. This analysis is fallacious since it does not consider the extent to which both the strength level and the number of moves are affected by accessions and separations. A more accurate picture is gained by comparing the number of moves, exclusive of accession and separation moves, to the number of people who will be on board for the entire year, as shown on the following table:

FY 1981 End Strength	2,080.1	(moves in thousands)
Less FY 1982 Separations	376.6	
Number of Personnel on Board for Full Year	1,703.5	
PCS Moves Excluding Accessions/Separations	575.5	
Percent of People Moving in FY 1982	33.8%	

If 33.8 percent of the people move each year, an average tour length of about 36 months is implied. When it is considered that the 575.5 thousand moves include those associated with short tours at undesirable locations (such as Korea, Okinawa, etc) and training moves for courses of much shorter duration than three years, it is obvious that there is an appreciable number of people remaining at one station for considerably more than three years.

The bulk of the PCS program is related to bringing people into the Armed Service, providing for their return to civilian life, or moving them to and from overseas assignments. Nearly 84 percent of PCS moves and 82 percent of the PCS costs in FY 1982 are associated with accession, separation or rotational moves. The number of accession and separation moves cannot be affected by PCS policy considerations. The number of rotational moves is a direct function of programmed overseas strength levels and experienced tour lengths. Overseas strength levels are established based on military and political factors which outweigh the PCS move consideration. Tour lengths for each overseas location are prescribed by DoD Directive based on the characteristics of each location and on whether or not a member is accompanied by dependents. There appears to be little real prospect of achieving savings by lengthening prescribed tour lengths. Prescribed tour lengths at relatively desirable locations are 36-48 months when with dependents and 18-24 months when without dependents. Tour lengths at less desirable locations are necessarily shorter. Actual experienced tour lengths vary somewhat from prescribed tour lengths based on voluntary and involuntary extensions and on curtailments of assignments due to death, compassionate reassignment and attrition losses. In recent years, the Services have been fairly successful in promoting voluntary extensions overseas, with the result that actual tour lengths exceed prescribed tour lengths in a number of locations. On the other hand, the FY 1982 budget reflects increased moves as a result of the recent decision to reduce to 18 months overseas tours for first-term, three-year Army enlistees on unaccompanied tours. Previous policy required these young people to serve about 30 months overseas, which led to severe morale and disciplinary problems.

Of the nearly 1.4 million moves programmed for FY 1982, only 125 thousand (less than 9 percent) are operational moves, which are mostly moves from one CONUS location to another CONUS location. A small number of intra-theater overseas moves are included. Operational moves do not include moves to and from training or moves of entire units. Operational moves are required to correct grade and skill imbalances, meet Navy sea/shore rotation requirements, provide needed career development assignments, support weapons systems changes and accommodate unit activations and inactivations. In some instances, these moves are a vital retention incentive. The Army, for example, offers station-of-choice reenlistment options as an incentive for personnel in certain skill areas. Every effort is made to insure that operational moves are held to the minimum necessary to accomplish mission requirements.

Question 10: I am also concerned with career ticket punching consisting of short tours, frequent moves of individuals and their families. I am aware of the critical need for commanders with broad ranges of experience, but is DoD trying to keep costs down in this area and if so, how?

Answer PCS moves are based on accession, training, operational, rotational, and separation travel requirements. The criticism which occasionally arises that certain training and operational moves are "ticket punching" in nature probably stems from the notion that moves that are career enhancing involve "ticket punching." However, career enhancement is a by-product and not the underlying reason for a move. For example, there is no doubt that all training moves are individually career enhancing. However, the requirement for training is based on specific skill and professional requirements that need to be filled in order to sustain mission readiness. Likewise, certain operational moves that build a unique experience base, such as in command positions, recognize the expanded need in wartime for a viable pool of such experience. Thus, while individual career enhancement results in practically all PCS's except for those involving accession and separation travel, it is never the sole or primary justification for PCS moves.

The Services have taken a number of initiatives to reduce PCS moves where possible. For example, a recent Army policy change on command tour lengths provides for extending company grade command tours from 18 to 24 months and field grade tours from 30 to 36 months. Through the grade of lieutenant colonel and master sergeant, promotion may not be the sole reason for a PCS reassignment. Additionally, efforts are under way to geographically consolidate sequential training activities.

Question 11: What plans are being made to rewrite DoD's travel regulations? Can we expect substantial changes?

Answer . The Presidential memo which released the Interagency Travel Management Report directs that separate travel regulations for civilian employees, foreign service, and uniformed services will be simplified, standardized, and updated to assure consistent treatment of all federal travelers. The DoD will lead the effort to implement this Presidential directive. The principal concerns of this effort are expected to consist of the revision of the travel entitlement regulations, development of a locally based per diem policy and development of a common approach for setting reimbursement rates. Significant reductions in the administrative costs of travel can be anticipated from these modifications.

Question 12: In its December 1980 report on travel management, GAO recommended that you propose a legislative package to improve the travel allowances available to uniformed services personnel. What is the current status of that proposal?

Answer. In a December 24, 1980, GAO Report, it was recommended that the Secretary of Defense initiate certain actions dealing with travel and transportation. Specifically, the recommendations were to (1) provide authority for a househunting trip, (2) provide a temporary lodging and subsistence allowance, (3) replace the mileage allowance in lieu of transportation and station transfer mileage allowance with a mileage reimbursement plus per diem and (4) set maximum per diem rates in title 37.

In reference to recommendations (1) and (2), draft legislation has been prepared in DoD providing for a househunting trip and a temporary lodging allowance (TLA). In addition, a similar proposal providing for a TLA is contained in both the Jepsen and Nichols Bills. In reference to recommendation (3), on April 1, 1981, DoD substituted a monetary allowance in lieu of transportation (MALT) of 7¢ per mile plus per diem of $35 for the mileage allowance of 18.5¢ per mile that has up until that time been authorized in connection with permanent change of station travel. On July 1, 1981, the rate was increased to 13¢ per mile plus per diem of $50.

In reference to recommendation (4), GAO recommended that title 37 (Uniform Members) be changed so that the maximum per diem rates contained therein would be set by reference to title 5 (Civilian employees). The reason for this was:

A. GSA has historically been more successful in obtaining prompt changes to title 5 than DoD has been in obtaining changes to title 37.

B. Such a reference would relieve DoD of the burden of preparing separate legislation each time the statutory Per Diem maximum is overtaken by inflation.

No specific action was taken on this recommendation.

Legislation is currently being staffed within DoD to remove the $50 per diem maximum from title 37. The removal of this ceiling will allow DoD to establish per diem rates based on cost data without being restricted by an obsolete statutory ceiling. This will accomplish the same purpose as the legislative change recommended by GAO.

Question 13. If GSA were to adopt a flat rate per diem method, would the Per Diem Committee follow suit for uniformed services personnel?

Answer: It is anticipated that GSA and DoD (Per Diem Committee) will adopt a flat rate locality per diem system simultaneously. Legislation will be required before such a system may be established. The Air Force has agreed to prepare a legislative proposal for the uniformed services. GSA will prepare such a proposal for civilian employees.

Question 14: Have DoD and GSA resolved the problem of differences in boundaries for high-cost areas so that military and civilian personnel would receive similar reimbursements?

Answer: Representatives from DoD (Per Diem Committee) met with GSA on January 27, 1981, to work out a method of resolving differences in military and civilian high cost area boundaries and dollar ceilings. At that meeting it was agreed that:

A. The Per Diem Committee would change DoD regulations to require the same input data elements as were required by GSA as the basis for establishing high cost areas and setting the actual expense ceiling for each area. The purpose for such standardization would be to insure that expenses reported by field activities will include the same cost elements whether received by DoD or GSA, thus facilitating the exchange of data between the two agencies. DoD regulations were changed to accomplish this standardization effective May 13, 1981.

B. GSA would expand their high cost area listing to the county level to agree with the DoD listing. Any problems encountered by GSA in such an expansion resulting in differences in boundaries or dollar ceilings would be worked out with DoD to insure that military and civilian high cost areas and ceilings would be identical. GSA has been in constant touch with DoD during this effort. A revised GSA listing is expected soon.

Illustrative Travel Purpose Categories

Purpose Category	Definition
Site visit	Visit to a particular site in order to personally perform operational or managerial activities; e.g., oversee programs, grant operations, or management activities for internal control purposes; carry out an audit, inspection, or repair activity; conduct negotiations; provide instructions; provide technical assistance.
Information meeting	Attend a meeting to discuss general Agency operations, review status reports or discuss topics of general interest. If a site visit was conducted as part of the same trip, consider the entire trip to be Site Visit.
Training attendance	To receive training at advanced specialty training schools, formal training and education
Speech or Presentation	To make a speech or a presentation, deliver a paper, or otherwise take part in a formal program other than a training course.
Conference attendance	To attend a conference, convention, seminar or symposium for purposed of observation or education only with no formal role in the proceedings.
Relocation	To move from one official duty station to another (same as a Permanent Change of Station or PCS move).
Entitlement travel	Travel to which an employee (or dependent) is entitled as a result of an assignment, e.g., official vacation or home leave; medical, and emergency.
Special mission travel	To carry out a special Agency mission; e.g., non-combat military unit movements; provide security to a person or a shipment, move witnesses from residence to other locations.
Other travel	To travel for reasons (purposes) which are not shown in one of the other eight (8) categories.

Enclosure 1

Department of Defense
FY 1982 Permanent Change of Station Program
(Moves in Thousands)
(Dollars in Millions - TOA)

	FY 1980		FY 1981		FY 1982	
	# of Moves	Dollars	# of Moves	Dollars	# of Moves	Dollars
By Service:						
Army	565.8	676.5	530.8	873.1	556.4	1,097.7
Navy	307.8	397.2	341.8	577.0	332.8	667.0
Marine Corps	152.0	114.6	147.4	161.7	145.3	204.1
Air Force	316.6	580.5	324.0	752.5	339.6	907.7
Total	1,342.2	1,768.8	1,344.0	2,364.3	1,374.1	2,876.6
By Move Category:						
Accession Moves	433.0	236.2	420.3	324.4	431.0	405.7
Separation Moves	402.8	279.5	375.3	357.0	367.6	436.3
Rotation Moves	298.0	869.4	327.9	1,185.6	352.9	1,451.0
Nontemporary Storage	-	51.0	-	53.9	-	58.4
Subtotal	1,133.8	1,436.1	1,123.5	1,920.9	1,151.5	2,351.4
All Other Moves	208.4	332.7	220.5	443.4	222.6	525.2
Total Program	1,342.2	1,768.8	1,344.0	2,364.3	1,374.1	2,876.6
(All Other Moves)	(208.4)	(332.7)	(220.5)	(443.4)	(222.6)	(525.2)
Training Moves	73.4	95.4	77.3	125.4	79.4	156.0
Unit Moves	17.5	30.1	19.9	47.9	18.6	42.8
Operational Moves	117.5	207.3	123.3	270.1	124.6	326.4

Enclosure 2

Chairman **Roth**. Mr. Harper, our favorite witness, will you come forward?

Ed, I welcome you here again. While I have got you, I would like to make a couple of unrelated comments. We had some hearings a few days ago on FECA, the Federal Employee Compensation Act, at which I was shocked, even outraged at the lack of internal controls to administer this program.

I might say that one of the things that seems to be coming through very clear in a number of these Government programs, and I am not being critical of this administration or any particular past administration, but it seems to me that if there is one characteristic of an awful lot of Federal programs, it is the lack of internal controls, the lack of any management effort to be cost effective, and, as I said, in the opening remarks when you first came before this committee for confirmation, and I don't know whether the Senator from Arkansas would agree with me or not, but I suspect he would, I look very much to OMB since as I pointed out then, "M" stands for management, that means essentially you, to play a key role in trying to bring some sound management practices into these programs. I told the Department of Labor at those hearings that we would be coming back in 6 months or 1 year from now to see what measures or steps have been taken to try to bring—we were dealing particularly with the outrageous cost of medical providers.

I might point out, just for your information, that the Department of Labor does not think it can debar a doctor who had submitted hundreds of false claims. Now if they don't have the authority, the counsel said they don't have the authority, why weren't they back on the Hill requesting that authority?

The point I am trying to make to you is that we are looking to you to provide leadership in introducing these internal management controls.

I might say to you, Dave, that I look upon this committee having a primary responsibility, not just for oversight, but to insure that steps are taken within the administration of these programs to bring them into a more responsible cost-effective approach, so that in these areas, like travel, where we hold hearings, it shall be our practice probably on an annual basis, maybe more often, maybe less often, but on a periodic basis, to review what progess we are making with these problems we face within Government.

Having said that, again, I am pleased to have you here and ask you to proceed.

TESTIMONY OF EDWIN L. HARPER, DEPUTY DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET, ACCOMPANIED BY HAL STEINBERG, ASSOCIATE DIRECTOR OF MANAGEMENT

Mr. **Harper**. Thank you very much, Mr. Chairman, Senator Pryor. As a matter of fact, I almost wondered if you read my desk calendar because we spent 1½ hours yesterday talking about a new OMB circular on internal controls and debating what would be the best form for that. I would anticipate very shortly we will be issuing a new OMB circular on internal controls.

We recognize this to be a very important problem, and we have seen other instances of this, and feel it is a very important priority.

Mr. Chairman, I have with me this morning Hal Steinberg, our associate director of management, who also participated in the internal controls meeting yesterday and has been an important part of our travel study.

If I may, I will submit my written testimony for the record and perhaps just summarize it very briefly.

Chairman ROTH. Your statement will be included in the record following your testimony.

Mr. HARPER. There has been a longstanding interest by this committee and by the Office of Management and Budget and the current president and past presidents on the issue of travel, especially reducing wasteful travel. Thus, we especially appreciate the opportunity to appear today to announce some actions that the president is taking and to talk about some of what we believe to be the most comprehensive travel management reforms undertaken.

First of all, some background: Travel, first, is vital to management. It is vital in carrying out programs that have been created by this Congress, and which the President has the responsibility to administer.

Employees must get to the proper location to do their jobs. We just had Deputy Secretary Carlucci talk about troop movements, and things in the Department of Defense which uses, by far, the largest travel budget.

We have bank examiners who have to get to the banks; we have food inspectors who have to get to the food processor plants; we have forest rangers, auditors, and all the like. All these are essential travel.

Despite this clear necessity for some travel, the general impression is that Federal travel is an area of high waste and inefficiency.

For example, costs since 1973 have gone up substantially. In 1973, the costs were $1.9 billion. They had gone up in 1981 to almost $4 billion.

An interesting thing about this, however, we found on some closer examination that the inflation in travel costs has also been substantial, and that, as a matter of fact, the inflation in travel cost has been greater than increases in Federal travel budgets in each of the years between 1973 and 1980 except for two.

This might suggest that in all but two of the years real travel costs, when you take out inflation, have been declining during this period.

GAO, the Congress and our inspectors general have all reported on abuses in travel and there are abuses, poor judgment on the part of many managers. Some of the recent efforts to improve travel have taken the form of directives to minimize certain types of travel; some across-the-board reductions in the President's budget; some specific cost reduction efforts such as contract air fares; emphasizing use of Amtrak; and charters of various kinds for group travel. These efforts have helped, but they haven't been totally effective. You expressed specific interest in a major study which the Office of Management and Budget has been working on. It is an interagency study done early last year by the interagency travel management improvement project.

The Defense Department, State Department, General Services Administration, OPM, and GAO worked with us on this project, which was designed to obtain a thorough understanding of the Government's travel policies and management practices, to develop a comprehensive picture of how much travel occurs, what purposes that travel serves, how much is spent for transportation, subsistence, and other travel expenses, and finally to make some specific recommendations for improving control and management of employee travel, improving travel and services, and reducing overall travel costs.

The findings of this 10-month study are based on a questionnaire of travel characteristics and management practices. A sample of some 13,000 travel vouchers was also taken. We interviewed people in agencies in Government as well as private companies and a major union.

The analysis revealed some surprises, confirmed some suspicions and exploded some myths. The executive branch agencies spent about $2.9 billion for travel in fiscal year 1979; about $3.2 billion in fiscal 1980. In fact, travel expenditures grew from 1970 and through 1980, but represented a decreasing percentage of overall program expenditures. In other words, travel as an element of a program cost has declined in the last decade.

There also has been an increase in Federal travel costs during this general period that compares favorably to private transportation cost increases. For example, using 1973 as a base year, private transportation costs rose to 205 percent.

Our Federal travel cost rose to 167.5 percent. Thus the increases in private transportation costs have been affected dramatically by the inflationary factors such as increased fuel costs, however these increases were reflected to a lesser degree in Federal travel expenses.

The third point, the Defense Department constitutes 73 percent of the work force and spends 63 percent of the executive branch's travel funds. The next largest travel department is the Department of Agriculture, but only 4 percent of their funds are expended for travel.

The breakdown of the expenses for travel showed about 46 percent of the Federal dollars are spent for transportation, 39 percent for lodging, meals and individual subsistence expenses, and 15 percent for miscellaneous support services.

I think it is important to focus on the purposes of travel. Some 44 percent of Federal travel was to carry out operational and managerial activities in support of agency missions. Investment in a more highly trained work force accounted for about 19 percent of travel. Approximately 15 percent of employee travel resulted from relocation of employees from one official duty station to another, and over 92 percent of this relocation expense was by members of the Defense Department.

Most of the travel was within the United States. Some 84 percent of all travel during 1979 took place within the Continental United States.

Executive branch travel is highly dispersed. Out of our sample of some 13,000 travel vouchers, they disclosed trips over some 9,000 different routes.

No single route accounted for even 1 percent of the total travel. Washington, D.C., of course, is the most frequent destination, but it accounted for only 5 percent.

Commercial air was the most common mode of transportation in fiscal 1979 and accounted for at least 35 percent of all movements. The second most important mode was in the privately owned vehicle and that accounted for about 22 percent of movements. Government-owned aircraft accounted for 14 percent of traffic with the greatest majority of this being in the Department of Defense, of course.

The majority of travel begins on a Monday; 20 percent on Tuesday; and 17 percent on Wednesday—as you might expect. Weekend travel primarily involved military personnel going on leave.

Travel expenditures in fiscal 1979 did not increase significantly at the end of the year, so we didn't find a bulge in fourth-quarter travel expenditures.

Thus, looking back over some of these data and highlights, one of the interesting conclusions we found was we don't find evidence of really flagrant widespread abuse. Yes, there are problems. Yes, there are many specific examples of very bad judgment, but widespread abuse was difficult to identify in the study.

One of our major findings, and some of this is a matter of great concern, is that no purpose could be identified for 27 percent of the trips in the vouchers sampled and this we feel is due largely to the inappropriate use of general travel authorizations.

Senator PRYOR. Excuse me, is that Government-wide?

Mr. HARPER. Yes, Government-wide.

Chairman ROTH. That includes the Department of Defense?

Mr. HARPER. That does include the Department of Defense.

Frankly, I have to classify this as a flagrant problem in the Department of Agriculture and in HUD. Certainly in the private sector, I have never seen any procedure that allows for a blanket authorization to travel whenever you want. In every case, the purpose of the trip has to be stated and has to be signed off by the next higher level of authority. That kind of control, I think, is something that is essential.

The second thing we find is that most agencies have failed to take adequate advantage of available discounts for airlines, hotels and rental cars. This is mainly a function of the agencies not paying sufficient attention to the opportunities they have to get those reductions that other people and private corporations usually take advantage of.

Third, our reimbursement policies are too complex, they are obsolete and they have generated excessive administrative costs with no apparent benefit to Government. For example, the GAO found that travel voucher processing costs amounted to almost $400 million in a year.

In addition, almost $143 million in outstanding travel advances were in place in fiscal 1980, according to agency estimates. This seems to me an excessive amount of travel advances outstanding. This number ought to be brought out. It is an important aspect of Government's working capital and we need to make sure it is properly accounted for and it is as thin as possible.

The full report contains over 70 different recommendations for various improvements. The principal recommendations have been incorporated into changes directed by the President in a directive which he has sent out to the heads of executive departments and agencies today. I will provide a copy of this memorandum for the record.[1]

One of the principal changes he has directed is aimed at separate travel regulations for civilian employees, foreign service and uniformed services. We should simplify where we can, but to have one standard all the way across the board means we are allowing too much for some people and not enough for others. As nice and simplified as it would be to have a single regulation, we found, as a result of the study, we have to have separate, but consistent standards for all Federal travelers.

As I emphasized earlier, travel authorization policies must be tightened and that certainly means a reduction in the use of general travel authorizations. Beyond this, we need to get into the problem of attention to detail and getting travel discounts. The travel services need to be emphasized and we need to take more advantage of them in the various agencies. This also, I think is going to result in the improvement of actual services to the employees.

We will get double benefit. We will realize our discounts and at the same time provide more efficient services to necessary Government travel.

We are going to work more closely with the travel industry to expand the availability and use of transportation, lodging and other travel-related discounts.

The travel reimbursement policies, we feel, can be streamlined substantially and would suggest the adoption of a locality-based flat rate per diem for subsistence costs and improved controls of our travel advances.

The President has directed the Defense Department, OPM, and GSA to promulgate the necessary regulations to implement these with OMB providing some coordination in the actual implementation. To achieve this implementation, the Office of Management and Budget is establishing a Travel Management Improvement Group, which my colleague, Mr. Steinberg, will chair. We are asking the GAO to designate a coordination contact to we can work closely with them. We will be guided by the study report presented today.

We are going to develop a detailed implementation plan with specific steps, milestones and, as you suggested earlier, we should be able to report some progress in 6 months to this committee.

One of the President's directives does require some legislative action, and that is the modification of the per diem and actual cost reimbursement rates. Here we are working with the Defense Department and GSA to develop a specific proposal for your consideration.

In closing, I think for the first time, we have a clear understanding of the nature of travel and weaknesses in our travel management systems. I think the actions stemming from this report should permit us to exceed the President's earlier projection for savings in fiscal years 1982 through 1984, which were over $70 million this year.

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[1] See p. 51.

The President has directed the most comprehensive program of travel reforms ever attempted and this should benefit the Government, its employees, and the taxpayers by better use of funds. I might call your attention to one chart in the book right at the back of the executive summary which I think outlines in quick form the various sources of reductions we estimate, which on full implementation could realize savings of some $200 million. This is page roman numeral V.

Mr. Chairman, that concludes my opening statement. I will be pleased to respond to any questions you or other members of the committee have.

If I might, I might add one more thing to comment on an issue which Senator Pryor raised earlier, which I think is a very important point. Here he was talking about Federal grantees using Federal funds to come to Washington and to lobby the executive branch and the Congress for more money. In other words, the Congress hands out the money with one hand and then the people use that to come back to Washington and ask for more money with the other hand.

We feel this is a serious problem. We have been investigating it. We have found situations where the Federal grantees, we believe, are in violation of Federal statute by using Federal grant funds to illegally lobby the Congress. This is a problem.

However, overall, the travel expenses by Federal grantees are not a subject covered in this report. So we are not able to respond in the kind of comprehensive way I would like to be able to respond to Senator Pryor. We recognize the problem.

Chairman Roth. I would point out that in one sense these figures are only the tip of the iceberg as the Federal Government is obviously paying for Federal employees' travel and a great deal of the travel done by grantees, whether State or local employees or others, some of which it is important to point out, is essential.

I am not criticizing. I don't think we want to criticize across the board. Some of it is necessary. Then you also have the cost of travel by Government contractors and consultants. Are there any guesstimates of how much the total figure might be?

Mr. Harper. I do not have one this morning. We can see if we have anything in the files that would give us some guesstimates on that.

Chairman Roth. But I would suspect it is substantially larger than the figure we have here. So we are really talking about a major area of potential savings.

Mr. Harper. Any time you are talking about $4 billion, you are talking about a lot of money.

Chairman Roth. In a 1977 sampling done by GAO, a finding was made that about 17 percent of the trips taken by Federal employees to conferences were deemed not essential. Do you have any recommendations, or is the administration taking any steps to try to prevent that from happening in the future? You pointed out in your own testimony that the interagency project found, what was it, 26——

Mr. Harper. Twenty-seven percent.

Chairman **Roth**. Twenty-seven percent of the trips were labeled no purpose. Why can't steps be taken to eliminate that type of percentage immediately?

Mr. **Harper**. No. 1, certainly unnecessary conferences ought to be eliminated, and tightening down overall has the effect of managers looking for any unnecessary travel. I am sure conference attendance is one of the first targets they are looking at.

Some of the other things we specifically are mentioning in this report are doing more with teleconferencing and other things to emphasize there are alternative ways to communicate, get together on decisions, reviews, data, so forth, other than people traveling to a conference, things like that.

That is another way of trying to get at this particular problem. I think overall the most important thing is that we have got to have our managers and our supervisors look at the reason for the trip and authorize it. The practice of blanket authorizations is one that has got to be brought under control.

That is probably the most important single thing we can do to remedy low-priority travel.

Chairman **Roth**. Let me go back to this 27-percent figure. Would it be appropriate for the administration to issue some kind of an instruction to revoke such travel authorizations, or is there any time that it is legitimate?

Mr. **Harper**. One of the things overall we are trying to do is to narrow the use of that as much as possible. In some cases, there may be instances where a blanket authorization is appropriate. For example, you have someone who may be traveling every single day on meat inspections or every single day on Forest Service business and still my personal view is that the kind of forms we are looking at to follow up here require statement of purpose at least so we know where people are going and why they are going there.

Chairman **Roth**. One of the things that outrages the public are some of the abuses that seem to be done at the higher ranks. For example, during the transition period, there was very substantial travel taken by lame duck executive branch political employees, and I want to be very fair, I don't think that was limited to the last administration. That has been a common disease.

Wouldn't it be appropriate to issue some kind of regulations on that now to prevent that from happening in the future?

The problem is the administration that lost loses interest. That is the time advantage is taken. I think Senator Percy, as a matter of fact, wrote OMB Director Stockman urging that regulations be issued to prohibit such travel.

Mr. **Harper**. I think overall our tightening of travel authorization should get at the problem. I certainly wouldn't object to that kind of regulation. I would, of course, hope there wouldn't be anything relevant in the executive branch for quite a few years.

Chairman **Roth**. I suspect every administration so hopes.

Senator Pryor.

Senator **Pryor**. Dr. Harper, there is another area here that I don't think anyone has done much work in. We talk about the travels of Federal employees, we talk about DOD doing this for military activities, et cetera, and we talk about, for example, on page 48 of this report in the blue booklet we see 600,000 trips to conferences, which is 6 percent of all Federal travel. We talk about those, we zero in on those, but there is a whole area here that I don't know how we identify. I would like to comment on that area.

What do we do about the thousands and thousands of grantees out there across this great land of ours who receive a grant for a project, it may be an EDA project, a HUD project, HHS. How do we catalog or pinpoint how much travel they are doing on Federal dollars to pursue their own grant and to look after their own grant, if I might use that? Is there a way we can break that out or is it broken out?

Mr. HARPER. I don't know if it is broken out, because we are talking about some 500 different grant programs at a minimum.

Senator PRYOR. 500 different programs; all right.

Mr. HARPER. I am not familiar with the reporting requirements with respect to line item budgets for each of those programs. I think you raise an excellent point, Senator, and I think it is one we need to study further. If you don't, I will direct the Office of Management and Budget to do some further research on this specific issue because I think we ought to get a handle on travel by Federal grantees.

Senator PRYOR. I have a feeling, I just have a suspicion, I might say, we are talking about as much travel on Federal dollars in the grant programs that we are talking about by the traditional Federal employee. I think we are probably talking about almost the same amount of money. I think we are talking billions of dollars. And I think in each grant application, there could be or there may be a section in there where they say, you use so much of our money for travel.

I don't know if it is in there. I don't know how grants are fashioned. I think OMB ought to look into this area because I think we are going to see an enormous amount of travel there.

Once again, that is an area that could be done by telephone or communications through electronic devices of some kind where I think we can cut down a great deal there. The travel of grantees, I think, is an area that is ripe for consideration.

You mentioned line item a moment ago. I have a problem with you, and I think you are fine person, but I have heard year after year everybody come up here and say, well, we are getting ready to put out a new circular; we have a new directive coming out of the White House this afternoon; we are going to call in all the management people; we are going to do this, do that, but yet when the Congress attempts to do something, when we attempt to cut back on something, our biggest obstacle, thus far, frankly, has been OMB. Let me tell you one example. Last week when we went to conference, Senator Roth was a supporter of this; I was a supporter; Senator Sasser had legislation to take $550 million out of travel across the board, across the entirety of Government, and who but our friend David Stockman, a good man, July 17 wrote a letter to Chairman Roth opposing—opposing—us in this move.

He is supposed to be a big budget cutter but yet he says don't take that money out and let's find another way to do it or let's don't do it. And I will quote, I think, generally what he said. He said, "Don't cut travel costs because it increases paperwork and causes inefficiencies in agency operations" and might possibly hurt defense.

There is defense again; some general may not get to review a Sunbelt installation in the middle of the next winter is my interpretation of what he might be saying.

That is not Stockman, that is Pryor. That is a problem.

In addition to this, Dr. Harper, let me just also state, on July 23 of this year, if I am not mistaken, you wrote a letter to one of the staff members of the Committee on Appropriations and in this letter—I have not read the entirety of this letter—but in this letter, the inference I draw is that you oppose the line item breakout for travel, consultants, et cetera, and this frustrates us up here; it frustrates me. I think it frustrates the taxpayers because we can't get a handle on it. Now, if you say, well, we will give this to the Appropriations Committee, that is fine and we appreciate that.

But when this committee gets hold of it, the horse is out of the barn and it is too late and we are looking at 1- and 2-year-old travel vouchers.

We have no control over it and we can't justify this. I would like your comments on that. End of sermonette.

Mr. **Harper**. I can appreciate your frustration. I will step back, a little bit, if I may, to the conceptual issue, which I think is important. That is, for example, at one time the Federal budget was entirely a line item budget. Everything showed up at a line item; desk, typewriters, how much for travel, how much for everything. A couple of decades ago, I think almost three decades ago, all this was changed. It was decided that the Congress was getting bogged down, the executive branch was getting bogged down, and frankly the taxpayers and Government were not well-served by listing everything on a line item budget. So a different approach was taken. That is the idea that the appropriate thing we ought to be concerned about are programs and their effectiveness.

So the budget was converted more to a program-type approach. We have had a program approach to the budget for some decades.

There is one difference when, let's say, the Congress looks at a specific line item in the budget—travel, let's say—and says, all right, let's reduce it 15 percent or 20 percent and the Office of Management and Budget, the President, may direct the same thing be done. But there is an important difference.

If the President does it and let's say that there is some agency or office that comes in and says, "My golly, there is a terrific national disaster here and if we don't have the travel funds to get the doctors there and the other personnel there, it is going to be terrible."

If the President makes the reduction we have some flexibility to make some changes or make some exceptions. On the other hand, if it is legislated into statute, it is done, fixed, unless we come back and change the statute again. Thus, we feel that the approrpriate focus for our budget discussions that go into the appropriations is the program budget.

Obviously, we have and will continue to provide information on a line item budget. We discuss, that, look at those and are providing that kind of information. But we feel the basic focus in legislative terms ought to stay on the program side and we can discuss, as we are discussing now, or in any other forum, line item budget, what ought to be done there.

But we feel to micromanage, if you will excuse that term, line items and lock them in a year ahead of time when it may be that we need some flexibility, is the second best approach.

Senator **Pryor**. That is a philosophical discussion.

Mr. **Harper**. Yes.

Senator **Pryor**. Really at that time, we you say, 30 years ago, we really in retrospect probably made, I think, a major error. What we did was delegate all the power to manage and to run their programs and to run the agencies. I think it was at that time we probably really started losing the essential ingredient of the characteristic that the legislative process must have over or at least coequal with, the executive, that is the power of the purse.

This committee has power of oversight, but oversight is not much good if it is after the fact. That is where my major concern is with this whole matter. We give too much flexibility. The administration changes and agency directors change, managers change.

Before long, you call them and they are not there, they are a consultant, or something of that nature, gone to work for DOD.

I say that out of respect for any DOD friends. I really feel Congress has delegated too much of this whole area, this whole spectrum. It worries me. I think that is what has gotten us into so much trouble. We are having trouble getting control back. I think line item may be archaic but I think it is necessary.

I think it is necessary in travel and I think it is necessary in consultants. It is necessary in looking at the grant programs. I think if we ever are going to get control, we will have to go back to line item.

Mr. **Harper**. Senator, if I may, I think we are probably far enough away from the line item budget in the Federal Government we don't remember some of the problems we had with it.

Coming from Missouri, they still have a line item budget. I remember within the last 2 years, they had an incident where the State legislature appropriated for one office five typewriters and two secretaries. So they wound up with three surplus typewriters that they were mandated to buy, but the legislature at the same time, different committee, decided they couldn't have the secretaries and the typewriters. Those are typical of some of the problems you get into. I don't want to make light of the problem you mentioned. It is important for us to focus on these things and as managers to have a keen interest in, to follow up on. Frankly, we don't feel lonely down there.

Senator **Pryor**. Talking about the five typewriters and two secretaries, the other system has produced five secretaries and two typewriters in the past 30 years. It really concerns me. I must say that I am a little bit disappointed that we don't get more affirmative support when we have legislation like a major attempt to cut out travel. I am awfully afraid this Stockman letter cost us this amendment in the conference, to be honest.

I think we could have supported it, passed it. I don't want to speak for the chairman.

I have been trying to get line item in consultants for some time and have not been successful. It is a very difficult issue and one I hope you are addressing.

Mr. **Harper**. I believe we are, sir.

Senator **Pryor**. I think all the circulars, memoranda, and directives that you produce and spew out of OMB, or wherever it is in this great system of ours, are not going to accomplish it unless we have a change of attitude, unless we attack the mentality of the problem, and that is an attitude of, simply, it is someone else's dollars.

Mr. **Harper**. I am hoping to put more emphasis on this issue and who authorizes travel. A lot of this is just plain bad judgment. People shouldn't go to fancy resorts on taxpayers' dollars.

Senator **Pryor**. Thank you, Mr. Chairman.

Chairman **Roth**. Thank you, Senator Pryor. As one who on many occasions has introduced amendments to provide for cuts in travel, I find that every administration who comes up says it is not a feasible approach. If it isn't, what can we do, what can Congress do to get a better hold on it? I formed several years ago what we call the SOB, Save Our Buck, bipartisan committee and we consistently over a number of years offered across-the-board amendments.

The Carter administration made the same objection. You could have read the same letter from either administration. Yet, there is genuine concern by the public at large and here in the Congress that we really don't have control of it. Take conferences; I really wonder if we cut out all conferences how important that would be.

I do think there is merit and desirability in Government being available to the people, but in these days where we are making substantial reductions of programs to people, I think it is particularly important that we be able to point to progress being made in some of these—let me put it this way—less essential expenditures. I am a little bit at a loss, I guess, like Senator Pryor, as to how we get a hold of this from a congressional point of view.

Mr. **Harper**. It is a frustrating and difficult issue because, for example, there are conferences of State and local officials and if you have executive branch personnel attend, they are there to answer a lot of questions. If you don't have them attend, very often you end up with criticisms.

Chairman **Roth**. We Senators all write letters asking that those administration people go to these conferences.

Senator **Pryor**. I imagine the State or local officials probably attend many of these conferences on Federal funds that we supply to them, don't you imagine?

Chairman **Roth**. They are probably paying two ways.

Senator **Pryor**. I used to be a State official. I don't know if I ever traveled on Federal funds at that time.

Mr. **Harper**. The National League of Cities or Conference of Mayors held their national convention in Honolulu a couple years ago. I think they are doing it again.

Chairman **Roth**. Let me ask you this, if you have any answers as to what Congress can do either now or later, I am sure both of us will be pleased to receive them, but we do have a number of recommendations being made by the interagency project.

I wonder if you have any guesstimate as to what kind of savings will be realized from the adoption of htese recommendations?

Mr. **Harper**. The chart on Roman numeral V comes up with our estimate that we will be able to realize the various savings here of approximately $200 million. A large part of this comes from discounts and also from improved processing. Something that we don't have an estimate on here but which I think personally is going to add to the amount of savings is to tighten up on these travel authorizations and to cut back on the number of blanket travel authorizations.

Mr. **Steinberg**. I might add, for one of these savings, we will need legislation.

That is, one of the recommendations is to adopt a locality based flat rate per diem policy. As you probably know, the President's directive of reimbursing employees on travel is a per diem rate, basically $50 a day. In most of the larger cities in this country, you can't get by with hotel and meals on $50 a day. If employees submit a voucher, they can get the actual costs, but not to exceed $75 a day. A GAO study has shown that in a large percentage, I don't know the exact percentage, but it is well up in the 70's, 80's, 90's, that the costs are in excess of those per diem rates.

Furthermore, processing in the vouchers and bills involves tremendous paperwork.

As we said, $400 million is required to process the vouchers. The study determined there will probably be a better method to reimburse the employees, and that is called the locality-based per diem rate where there will be a flat amount of reimbursement, depending upon location. In other words, we break the country down into about 200 different locations and the amount would be established based upon actual recent experiences going out to those locations, finding out what it actually costs to spend the day there and then we would plan to reimburse the employees for that locality-based per diem rate.

Vouchers would not be needed. There would not be any, what shall I say, abuses of this system whereby people actually do not really spend the amount that is the locality-based per diem rate. In order to go to this system, we will need legislation, because right now legislation does not permit this type of travel reimbursement. We estimate savings could be about $50 million in travel-related or administrative costs.

Chairman **Roth**. Over and beyond the cost of the actual per diem?

Mr. **Steinberg**. Right, we do not think there will be impact on the per deim costs themselves. That will be a break even. We can save about $50 million on processing costs.

Chairman **Roth**. Dr. Harper, I think it would be helpful in our oversight responsibility if we could get a periodic report on the cost of travel not only from the standpoint of Government itself but to the extent it can be done with the grantees and contractors. I realize there are problems involved in the grantees and the contractors but we'd like to see what progress will be made, say, every 6 months or possibly a year. I think this is a problem that is going to haunt all of us until we begin to get a better hold on it.

I think part of the problem is that as long as there is an attitude within Government, it is not going to be easy to eliminate this sort of a perk.

I think these problems are difficult ones that have to be faced and must be if we are going to realize the kind of savings I think can be made in this area.

Mr. **Harper**. Senator, if I may, you ask what can Congress do. I frankly want to compliment you and Senator Pryor and the other members of your committee because I think oversight hearings such as these, which take up your valuable time, are necessary to look indepth at these problems. It is important to get into the numbers, understand the problems and, frankly, to ask us as tough a question as you possibly can.

It is the kind of thing that keeps the executive branch on the straight and narrow, makes sure we are keeping our eye on the ball on issues such as these. I think that is very, very important. A most important function as well is the specific legislative activities, such as the per diem requests, the leading role that you and your committee have taken with respect to the Inspectors General program because they certainly play a key role here and the other leadership this committee has taken with respect to the overall management of the executive branch, I think they are terribly important and a great contribution the committee has already made and continues to make.

Chairman **Roth**. Thank you, Dr. Harper. As I said, we shall hold hearings in each of these areas. It is our intent to do it on a regular basis.

Mr. **Pryor**. May I ask one more question?

Chairman **Roth**. Yes.

Senator **Pryor**. Mr. Chairman, I am not going to be able to stay for our next witness, but he, in his statement on page 10, I think, brings up a pertinent point. I would like to read a portion of this statement to Dr. Harper. The third full paragraph on page 10.

> There are two other areas where management controls are necessary to keep down travel costs. One area involves travel by consultants and the other involves training. There is a tendency to award consultant contracts without assuring that travel under those contracts will be in conformance with allowances for Federal employees. The result of this is that while a Federal employee traveling with a contract consultant must fly on a contract airline, stay at a hotel and limit expenditures for meals in accordance with the per diem allowance, the contractor can fly first-class, stay in the finest hotels and eat at the best of restaurants and do it all at government expense.
>
> In the training area, it is all too frequent for students to be flown to a central site for training rather than flying one instructor to the location of his/her pupils. Careful coordination between trained and travel staffs can result in significant savings.

Will you attempt to help us in solving this problem?

Mr. **Harper**. Yes, sir, we will.

Chairman **Roth**. What can we do together? That is one little area we might save several million dollars.

Mr. **Harper**. General contracts call for consultants traveling in coach class, the same as Government employees. Sometimes variations are given to consultants to travel first class. We can even be tougher on those variations. That is the kind of thing the contracting officer ought to be on the lookout for in various agencies.

Senator **Pryor**. What can we do, either by legislation or by directive or by circular here in this area to bring this matter under control?

I don't think it is just flying first class or coach class. I don't think that is the real issue. There are basically no constraints placed upon a consultant or a contractor in this area, especially when there is so much sole-source contracting and there is no competitive bid and most of the contracts the Government just doles out to consultants anyway. In fact, I think about 80 percent—once again I make reference to DOD—about 80 percent of the DOD contracts, about 80 percent of those consultant contracts were done sole source without any competitive bids whatsoever.

There is no limitation; there is no check.

Mr. **Harper**. You certainly put your finger on one problem there. One thing that keeps the consultants flying coach is competition.

Senator **Pryor**. I see we have to have our talk about consultants because there is very little competition in the consulting industry, very little. There are a lot of them but the buddy system is running rampant in this Federal hierarchy of ours with a few consulting firms that get the gravy. Unsolicited proposals today permeate this whole Government. Sole-source contracting that dominates a great majority of contracts demonstrates to me without any question that this is still totally out of control and very little competition exists.

Mr. **Harper**. I am hoping that one of the effects of the proposals mandated by the Office of Federal Procurement Policy, these proposals are due at the end of October, will be increased competition.

Senator **Pryor**. Thank you, Doctor.

Chairman **Roth**. Thank you, Dr. Harper.

[The prepared statement of Mr. Harper, the White House memorandum, an OMB factsheet on strengthening Federal travel, and responses to written questions submitted by Senator Roth follow:]

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

FOR RELEASE ON DELIVERY
Expected at 9:00 a.m.
Thursday, July 30, 1981

STATEMENT OF EDWIN L. HARPER DEPUTY DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET BEFORE THE SENATE COMMITTEE ON GOVERNMENTAL AFFAIRS ON STRENGTHENING FEDERAL TRAVEL MANAGEMENT

Mr. Chairman and Members of the Committee:

This Committee has had a longstanding interest in reducing wasteful Federal travel. I appreciate this opportunity to appear before you to announce several actions that the President is taking to improve the management of Federal travel and reduce wasteful travel spending and practices. The President's actions constitute the most comprehensive travel management reforms ever undertaken by the Executive Branch.

BACKGROUND

Travel by Federal employees is absolutely vital to managing and carrying out important Government programs. Individuals must be able to move to locations where they are needed to do their jobs. Several examples come to mind:

- The movement of troops for military operations; travel to banks by bank examiners, movement of food inspectors from plant to plant; on-site visits by Forest Service rangers and staff of the Soil Conservation Service; travel by law enforcement officials; travel by auditors monitoring expenditure of grant funds; and mission-related training of air traffic controllers, military specialists, and program administrators.

Although travel is necessary to the operations of government, there is a general impression that Federal travel is an area of high waste and inefficiency. That impression has been reinforced by:

- Concern for rising costs - Travel expenditures which totaled $1.9 billion in 1973 will be almost $4 billion in fiscal year 1981. Ironically, increases in these expenditures for each year except 1976 and 1977 were lower than the prevailing inflation rates based on the Consumer Price Index, and, even more significantly, lower than the rise in transportation costs, as will be explained later.
- GAO audits, Congressional committee reports, and Inspector General studies that have reported on travel abuses and recommended ways to curb them.

In recent years, most Congressional and Presidential efforts to reduce travel costs have taken the form of directives to minimize certain types of travel costs or across-the-board reductions in the travel expenditure estimates presented in the President's Budget. There have also been some specific cost reduction efforts such as the development and use of contract air fares, the use of AMTRAK in the Northeast, and the use of charters for group travel. These efforts, while significant, have not been totally effective in either reducing travel expenditures or eliminating waste and abuse.

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT STUDY

Mr. Chairman, in your letter of invitation to me, you expressed a specific interest in the report of our Interagency Travel Management Improvement Project. You asked that I discuss the Federal travel characteristics revealed by the study and the specific management improvements recommended. At this point, I would like to review some of the highlights of the study for you. I also would like to provide a copy of the report for the record.

Initiated by OMB early in 1980, this joint effort of Defense, State, GSA, OPM, the General Accounting Office, and OMB, was designed to:

- obtain a thorough understanding of the Government's travel policies and management practices;
- develop a comprehensive picture of how much travel occurs, what purposes that travel serves, how much is spent for transportation, subsistence, and other travel expenses; and
- make specific recommendations for improving control and management of employee travel, improving services to travelers, and reducing travel costs.

The project staff representing seven agencies spent almost 10 months identifying agency travel characteristics and travel management practices, analyzing weaknesses in current approaches and developing recommendations. Their principal findings were based on:

- a questionnaire on travel characteristics and management practices that was completed by all agencies;
- a sample of almost 13,000 travel vouchers obtained from each agency that spent over $5 million in travel during FY 1979; and
- interviews with people in federal agencies, selected state, local and foreign governments, private companies, and a major labor union.

FEDERAL TRAVEL CHARACTERISTICS

The travel data we obtained provides a comprehensive picture of travel by executive branch employees. Analysis of the data revealed some surprises, confirmed some suspicions, and exploded some myths. For example:

- Executive agencies spent about $2.9 billion for travel in FY 1979 and about $3.2 billion in 1980. Although travel expenditure amounts grew from 1970 through 1980, travel represented a decreasing percentage of overall program expenditures during this period -- from 0.80% in 1970 to 0.39% in 1980.

- The increase in federal travel costs during this general period compared favorably to increases in private transportation costs. Using 1973 as a base year, private transportation costs had risen from an index of 100 to 205.1 in 1980 while federal travel costs rose from 100 to 167.5 during the same period. Thus, the increases in private transportation which were affected dramatically by inflationary factors such as increased fuel costs were reflected to a much lesser degree in federal travel cost increases.

- As expected, the Defense Department which, counting both military and civilian employees, constitutes over 73% of the workforce, spent over 63% of executive branch travel funds. Agriculture, with 2.3% of the federal workforce, had the second highest level of travel expenditures, with 4.7% of the total.

- About 46% of the federal travel dollar is spent for transportation. Thirty-nine cents of the travel dollar is spent for lodgings, meals, and incidental subsistence expenses. Finally, fifteen cents goes for miscellaneous support services.

- The purpose of 44% of Federal travel was to carry out operational and managerial activities and special agency missions. Investment in a more highly trained workforce accounted for 19% of the travel. Approximately 15% of employee travel resulted from relocation of employees from one official duty station to another. Over 92% of this relocation travel was by members of the Defense Department.

- Eighty four percent of all travel during FY 1979 took place within the Continental United States. Of this, about 15% was local; that is, it occurred in the general vicinity of the employees' workplaces.

- Executive branch travel is highly dispersed. The sample of 13,000 travel vouchers disclosed trips on about 9000 different routes. No single route accounted for even 1% of all traffic. Washington, D.C. was identified as the most frequent travel destination, with just over 5% of all trips.

- Commercial air was the most common mode of transportation in FY 1979 and accounted for at least 35% of all movements. The second most common means of travel was the privately owned vehicle, which was used for at least 22% of the movements. Government owned aircraft accounted for at least 14% of the traffic, although the great majority of these trips were by Defense employees.

- The majority of travel begins on Monday (20%), Tuesday (17%) and Wednesday (17%), as expected. There is a large percentage of travel (22%) which begins on weekends. Most of these weekend trips were in the military agencies, probably for weekend and summer training.

- Finally, travel expenditures in FY 1979 did not increase significantly at the end of the fiscal year. In fact, on a Government-wide basis, monthly travel expenditure levels appear fairly constant.

These are some of the highlights of our findings. The report provides a wealth of additional data.

MAJOR STUDY CONCLUSIONS

The analysis of travel vouchers did not reveal any widespread abuse of travel by Federal employees. However, the review did identify the following:

- No purpose could be identified for 27% of the trips in the vouchers sampled. This was due largely to the inappropriate use of general travel authorizations that did not require management attention to the purpose and need for trips.

- Most agencies failed to take adequate advantage of available discounts for airlines, hotels, or rental cars. These discounts and other opportunities for travel cost savings were lost largely due to agency inattention to proper travel management practices.

- Complex and obsolete reimbursement policies resulted in excessive administrative costs with no apparent benefit to the Government or the traveler. According to a recent GAO report, cumbersome reimbursement procedures resulted in travel voucher processing costs of $400 million a year. In addition, there were almost $143 million in outstanding travel advances in FY 1980, according to agency estimates.

Our resulting Report on Strengthening Federal Travel Management contains findings and recommendations as well as a summary of the data on travel characteristics received from the agencies. The full report contains over seventy recommendations for procedural and systems improvements. I would like to discuss the principal ones with you now. They have been incorporated in the various changes directed by the President.

PRESIDENTIAL ACTIONS

This Administration has made a careful review of the findings, conclusions, and recommendations of the interagency travel management improvement study. As a result, the President has directed that substantial changes be made to travel policies and practices. These changes, based in part on the report but also on the objectives of the President's economic reform program, are incorporated in a memorandum that the President has sent to the heads of all executive departments and agencies. Mr. Chairman, I would like to provide a copy of the President's memorandum for the record.

The principal changes the President has directed are:

- Separate travel regulations for civilian employees, foreign service, and uniformed services will be simplified, standardized, and updated to assure consistent treatment of all Federal travelers.

- Travel authorization policies will be tightened, including a reduction in the use of general travel authorizations.

- Travel services for agency employees will be improved at headquarters and principal field locations, including greater use of commercial ticketing and travel services and available discounts.

- Greater efforts will be made in cooperation with the travel industry to expand the availability and use of transportation, lodging, and other travel-related discounts for Federal travelers.

- Travel reimbursement policies will be streamlined to include adoption of locality-based flat rate per diem rates for subsistence costs, improved controls over travel advances, and simplified voucher processing.

He has directed the Secretaries of Defense and State, the Director of the Office of Personnel Management and the Administrator of General Services to implement those changes through the regulations they promulgate. The President has asked the Director of the Office of Management and Budget to coordinate the implementation activities.

IMPLEMENTATON APPROACH

To implement the President's directives, the Director of OMB is establishing a Travel Management Improvement Group, chaired by Hal Steinberg, Associate Director for Management of OMB and consisting of senior officials from the GSA, the DOD, the Department of State and the Office of Personnel Management. He is asking the Acting Comptroller General to designate a representative to serve as a point of coordination with this Group. This is especially important because of GAO's role in interpreting and auditing travel policies. The study report will be used to guide the implementation of the President's directives. This Group also will determine which of the other report recommendations will be included in the implementation program.

A detailed implementation plan will outline the specific action steps required to implement the required travel management improvements. Based on a preliminary version of this plan, many implementation tasks can be completed within six months while some of the more complex changes will require as long as a year or more to complete.

One of the President's directives will require legislative action; and we will be working with Defense and GSA to prepare a proposal for consideration by the Congress. This proposal would modify the statutes that establish the per diem and actual cost reimbursement rates. (5 USC 5707, 37 USC 404 and 22 USC 1136) We are still discussing the best approach to take in proposing these changes.

OTHER TRAVEL ISSUES

Although not directly related to the travel study or to the President's directives to improve travel management, I would like to mention an action now being considered by the Congress that will cause considerable difficulty. I understand that the conferees have agreed on identical language regarding spending on direct administrative travel of persons, requiring a saving of $100 million and exemption of certain government activities.

As we have indicated in our written responses to proposals for across-the-board reductions, such reductions would have adverse consequences for the management of many agency programs. I am providing copies of our comments for the record.

I would emphasize that in developing his 1982 Budget President Reagan already has imposed a reduction in non-Defense travel, resulting in a saving of approximately $108 million from the Carter 1982 budget proposal.

Mr. Chairman, for the first time we have a clear understanding of the nature of employee travel and of the weaknesses in the management systems that control it. In fact, actions based on this understanding should permit us to exceed the President's original projections for administrative savings in the travel area for fiscal years 1982-1984, until now estimated at over $70 million for each of those three years. The President has directed the most comprehensive program of travel reforms ever attempted. These actions will benefit the Government, its employees, and the American taxpayers by making better use of available funds.

Mr. Chairman, this concludes my prepared statement. I will be happy to answer any questions you may have.

Attachment 1

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

JUL 31 1981

M-81-12

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

SUBJECT: Implementing Presidential Travel Management Improvement Directives

In his memorandum on strengthening Federal travel management (copy attached), the President directed several changes to Federal travel policies and practices. He also directed the Secretaries of State and Defense, the Director of the Office of Personnel Management and the Administrator of General Services to implement the directed changes through the regulations they promulgate. He also asked that I coordinate the implementation activities.

Accordingly, I am establishing a Travel Management Improvement Group, chaired by Harold I. Steinberg, Associate Director for Management, Office of Management and Budget and consisting of representatives of the four departments and agencies with major travel policy authorities. The Group will be responsible for coordinating the policy initiatives and other actions required to implement the President's directives. Because of the significant role of the General Accounting Office in interpreting and auditing travel policies, I have asked the Acting Comptroller General to designate a representative to serve as a point of coordination with the Group.

Please designate an individual in your organization who can fully represent you in dealing with the Travel Management Improvement Group. Mr. Steinberg should receive your designation within a week of your receipt of this memorandum.

The documentation and rationale that we will be using in implementing the President's directives are found in the attached copy of the report of the interagency study group that reviewed the travel area. Establishing efficient travel management is an important part of this Administration's efforts to reduce wasteful Federal spending. The President and I expect real savings and other tangible benefits from the implementation of his travel management improvement directives.

David A. Stockman
Director

Attachment

THE WHITE HOUSE
WASHINGTON

July 30, 1981

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

SUBJECT: Strengthening Federal Travel Management

The Federal Government will spend almost $4 billion in fiscal year 1981 on travel. Although most of this travel is required to carry out agency programs, instances of mismanagement and wasteful spending have continued to surface over the years. To improve the management of federal travel, I am directing that the following changes be made to travel policies and practices and would urge that the lead agencies work with the rest of the Executive Branch as they implement these recommendations:

- Separate travel regulations for civilian employees, foreign service, and uniformed services will be simplified, standardized, and updated to assure consistent treatment of all federal travelers.
- Travel authorization policies will be tightened, including a reduction in the use of general travel authorizations.
- Travel services for agency employees will be improved at headquarters and principal field locations, including greater use of commercial ticketing and travel services and available discounts.
- Greater efforts will be made in cooperation with the travel industry to expand the availability and use of transportation, lodging, and other travel-related discounts for federal travelers.
- Travel reimbursement policies will be streamlined to include adoption of locality-based flat per diem rates for subsistence costs, improved controls over travel advances, and simplified voucher processing.

Effective implementation of these improvements will require a coordinated effort by those agencies with travel policy and oversight responsibilities. Accordingly, I am directing the Secretary of State, the Secretary of Defense, the Director of the Office of Personnel Management, and the

Administrator of General Services to implement the necessary changes to the regulations they promulgate. I have asked the Director of the Office of Management and Budget to coordinate the implementation activities.

These improvements are an important part of this Administration's economic reform program and its efforts to reduce wasteful federal spending. I expect the results of the improvement to include:

- annual cost savings of over $200 million, consisting of $116 million in direct travel expenditures and $85 million in travel-related administrative costs;
- improved control and management of agency travel expenditures; and
- accelerated reimbursements to travelers and payments to carriers.

Ronald Reagan

Attachment 2

TRAVEL MANAGEMENT IMPROVEMENT PROJECT

Tentative Assignment of Implementation Themes by Agency

DOD:

Simplify travel regulations - 1 year (intensive throughout)

GSA:

Improve travel services - 1 year (intensive throughout)
Expand use of discounts - 6 mos.

State:

Streamline reimbursement policies - 6 mos.

OPM:

Expand use of teleconferencing - 6 mos.

OMB:

Improve travel budgeting and cost control - 6 mos.
Tighten authorization policies - 3 mos.
Improve policy coordination - 2½ mos.

OMB/GAO:

Design and apply assessment process - 1 year (intensive at first, then non-intensive)

Attachment 3

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

JUL 31 1981

Honorable Charles H. Percy
United States Senate
Washington, D. C. 20510

Dear Chuck:

Thank you for bringing to my attention the GAO report on "Travel By Certain Noncareer Government Officials" (FPCD-81,49, dated May 27, 1981). This report examined the 798 trips taken by 333 of the 944 noncareer employees in seven executive branch departments during the lame duck period--November 7, 1980, through January 20, 1981. Although the GAO did not question the justification for most of these trips, they did have three areas of concern:

- Use of foreign carriers;
- Use of first-class accommodations; and
- Failure to document the purpose of 23 percent of the trips.

As you point out in your letter, one way to deal with these problems is to tighten travel authorization procedures. Two other actions that would reduce the occurrence of these situations would be to: (1) require travelers to make their travel arrangements through travel offices familiar with the restrictions on foreign carriers and first-class accommodations, and (2) indicate the travel purposes on their travel vouchers.

These three remedial actions are included in a series of travel management improvement initiatives that the Administration will be taking over the next several months. They are recommended in the report of our Interagency Travel Management Improvement Project which was issued today. I am enclosing a copy for your information.

We oppose all unnecessary travel, whether by lame duck political officials or career employees, and are confident that our planned actions to tighten travel authorization and arrangement procedures will greatly reduce this problem.

I appreciate your interest and support in improving travel management.

Sincerely,

DAVID A. STOCKMAN

David A. Stockman
Director

Enclosure

OFFICE OF MANAGEMENT AND BUDGET

For Immediate Release

FACT SHEET

STRENGTHENING FEDERAL TRAVEL MANAGEMENT

SUMMARY: Today, President Reagan directed changes in travel policies and practices that will improve the management and control of Government travel, reduce direct travel costs and travel-related administrative costs and speed up reimbursements to travelers and payments to carriers. President Reagan also directed the Secretaries of State and Defense, the Director of the Office of Personnel Management, and the Administrator of General Services to implement these changes through the regulations they promulgate. He asked the Director of the Office of Management and Budget to coordinate the implementation activities.

BACKGROUND:

- The Federal Government will spend about $4 billion on travel during Fiscal Year 1981.
    - 65% of this will be spent by the Department of Defense (of which almost 29% is for relocation of employees and their families)
    - Most travel by Federal employees directly supports program activities and reasons for such travel include:
        - grant oversight and audit activities, bank examinations, plant inspections and other types of site visits (38%).
        - training attendance (19%)
        - relocation (15%)
    - A relatively small percentage of Federal travel is for conferences (6%), information meetings (7%) or speeches (1%).
    - 13% of all Federal travel is overseas, almost all by military and foreign service employees.

- A study of travel management policies and practices was recently completed by an interagency group led by the Office of Management and Budget and including representatives of the General Services Administration, the Department of Defense, the Department of State, the Office of Personnel Management, and the General Accounting Office. The actions being directed by the President are based in part on the recommendations of this interagency group.

ACTIONS TAKEN BY THE PRESIDENT

- President Reagan directed that the following changes be made to travel policies and practices:
  - Separate travel regulations for civilian employees, foreign service, and uniformed services will be simplified, standardized, and updated to assure consistent treatment of all Federal travelers.
  - Travel authorization policies will be tightened, including a reduction in the use of general travel authorizations.
  - Travel services for agency employees will be improved at headquarters and principal field locations, including greater use of commercial ticketing and travel services and available discounts.
  - Greater efforts will be made in cooperation with the travel industry to expand the availability and use of transportation, lodging, and other travel-related discounts for Federal travelers.
  - Travel reimbursement policies will be streamlined to include adoption of locality-based flat per diem rates for subsistence costs, improved controls over travel advances, and simplified voucher processing.

  He directed the Secretaries of Defense and State, the Director of the Office of Personnel Management and the Administrator of General Services to implement those changes through the regulations they promulgate. The President also asked the Director of the Office of Management and Budget to coordinate the implementation activities.

- Pursuant to the President's memorandum, Director of the Office of Management and Budget, David A. Stockman, is establishing a travel management improvement group, chaired by the Office of Management and Budget and consisting of representatives of the General Services Administration, the Department of Defense, the Department of State and the Office of Personnel Management. He is also asking the Comptroller General to designate a representative to serve as point of coordination with this group on implementation activities. This group will coordinate the actions required to implement the President's directives as well as other actions to improve Government travel management. The range of actions to be considered by the new interagency group include:

-- Streamlining travel entitlement policies and reimbursement procedures;

-- Strengthening travel arrangement and procurement policies and procedures;

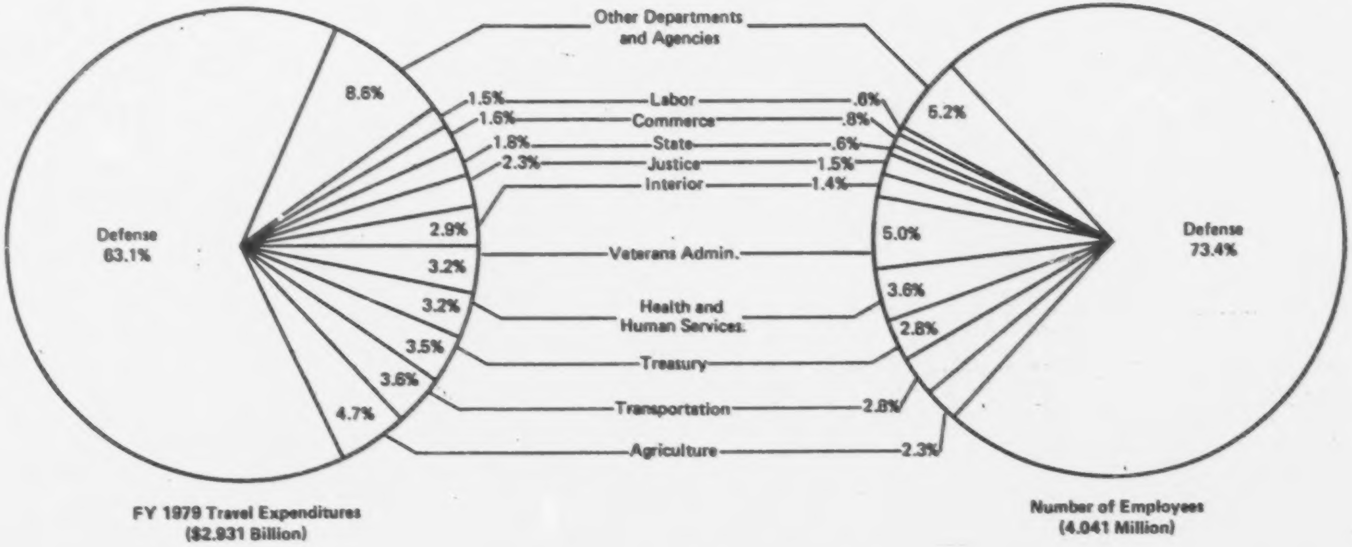
-- Strengthening travel cost accounting and management guidance; and

-- Installing a travel management assessment and audit process.

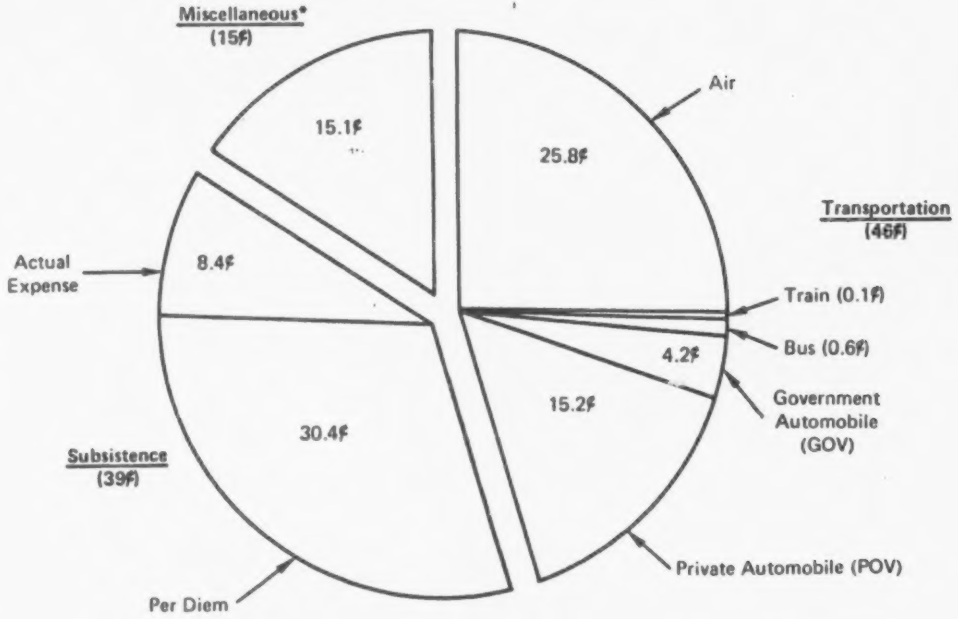
EXPECTED SAVINGS

Potential cost savings from all recommendations total over $200 million - $116 million in direct travel expenditures and over $85 million in administrative costs based on projected FY 1982 expenditure levels. Additional savings can be realized by increased management attention to travel and improved procedures, but the exact amount of those savings could not be determined.

Interagency Travel Management Improvement Project
Who Spends Federal Travel Funds



Interagency Travel Management Improvement Project.
How the Federal Travel Dollar Is Spent



*Note: "Miscellaneous" includes taxis, limos, phone calls, tolls and similar expenses.

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

DATA SUMMARIES

Summary of Selected Travel Characteristics(1)

Number of trips	-	16 million
Direct travel expenditures (object class 21)	-	$3,200 million
Number of travel vouchers	-	10 million
Voucher processing costs	-	$400 million
Outstanding travel advances	-	$143 million

Summary of Savings Estimates(2)

	Direct Travel (OC 21) Expenditures	Travel-related Administrative Costs
Require Federal travelers to purchase common carrier tickets through SATOs or travel agents to assure greatest use of GSA contract air service and other discount fares	$116.2 million	
Consolidate carrier payments and reduce the number of GTRs used		$14.8 million
Streamline voucher processing procedures by:		
- adopting a locality-based flat rate per diem policy		46.1 million
- restricting supervisory reviews by two		0.1 million
- examining in full only those vouchers over $500 and examining a random sample of those vouchers under $500		21.7 million
Increase controls over travel advances and reduce the amount of advances outstanding		2.8 million
	$116.2 million	$85.5 million
Total Proposed Estimated Gross Savings(3)	$201.7 million	

Notes: (1) Travel expenditures and advances are for FY 1980; the remaining data are for FY 1979.

(2) Estimates based on FY 1982 budget projections.

(3) Many savings are obtainable at no cost or at nominal costs that can be absorbed as a part of ongoing activities. There also are indeterminate savings from some recommendations that would offset indeterminate costs.

U.S. SENATE,
COMMITTEE ON GOVERNMENTAL AFFAIRS,
Washington, D.C., August 19, 1981.

Dr. EDWIN L. HARPER,
Deputy Director, Office of Management and Budget, Old Executive Office Building, Washington, D.C.

DEAR DR. HARPER: I would like to take the opportunity to thank you on behalf of the Committee for appearing and testifying at our recent hearings on Federal Travel Management. Your testimony provided us with valuable information and a strong data base on which the Committee may better understand and deal with the problems of control and management of travel.

To provide a complete and detailed Committee Record I have enclosed a series of written questions to which I would appreciate a response within two weeks. These written questions and your answers will be included in the Record for further Committee study.

Again, thank you for your participation in our hearings.

Sincerely,

WILLIAM V. ROTH, Jr., *Chairman.*

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., October 26, 1981.

Hon. WILLIAM V. ROTH, Jr.,
Chairman, Committee on Governmental Affairs,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I am pleased to submit for the record the enclosed responses to the Committee's questions on Federal travel management. Your interest in improving travel management and support for our efforts in this area are both welcome and important if we are to be successful.

The letters that you sent to the Inspectors General suggesting increased oversight of their agency's travel policies are a positive and significant contribution to the overall reform effort. We plan to involve them as appropriate in designing and implementing a travel management assessment process. This process will permit Congress and OMB to exercise more effective routine oversight of agency travel management than has been possible in the past.

As I mentioned in my testimony on travel management, the Administration plans to submit legislation to permit the introduction of a locality-based flat rate per diem system. This reimbursement apporach will greatly simplify and reduce the paperwork involved in processing travel reimbursements and result in significant administrative cost savings. We would like to work with your staff and others as appropriate in drafting this legislation.

I glady accept your offer of assistance in combatting mismanagement of Federal travel.

Sincerely,
EDWIN L. HARPER,
Deputy Director.

Enclosures.

RESPONSES TO WRITTEN QUESTIONS SUBMITTED BY SENATOR ROTH TO MR. HARPER

Question 1. OMB and past Administrations have announced all sorts of policies to control Federal travel over the years. At the beginning of his Administration, President Carter ordered a 20 percent cut in travel expenditures. President Ford ordered travel reductions as did President Nixon. Yet, travel expenditures continue to climb. Why is this effort being mounted by OMB different from those made in the past?

Answer. Past efforts were limited to OMB Directives that required specific policy changes, e.g. limit conference travel or cost reductions, e.g. reduce administrative costs by 20 percent.

This effort involved all agencies with travel policymaking and oversight authorities and looked at the entire travel management system, including:

Polices that affect day-to-day administration of travel, such as authorization policies;

How policy changes are communicated and to whom;

Ways to keep the Federal community informed of cost saving opportunities (e.g. the GSA Contract Air Service Directory and Hotel/Motel Directory grew out of this effort); and

Policies that affect administrative overhead costs as well as direct travel costs.

We also kept all agencies, Inspectors General and Federal Executive Boards informed of our work and involved in determining the problems and solutions.

Question 2. Why has it taken so long to put together what should be, from a managerial standpoint, basic information on travel costs in government? Why has it taken so long to begin implementing some of the changes outlined in your report?

Answer. We have known for years how much money was spent on travel (as defined in Object Class 21) by the Judicial and Executive Branches of Government and by department, bureau and appropriation account.

There has been little agreement on what constitutes basic information on travel costs from a managerial standpoint from year to year by the Congress or the Executive Branch, primarily because the need for the information usually arises from particular problems that change from time to time.

Until we conducted our study, there was no Executive Branch summary of detailed analyses of travel obligations broken down by type of cost (e.g. transportation versus subsistence) or purpose of travel (e.g. conference travel versus relocation travel, etc.).

Because of the size and complexity of the Executive Branch, the responsibility and authority for managing appropriated funds is left up to each department and agency head. For management and accounting purposes, each agency head may further divide the travel object class into such detail as deemed necessary, provided that the classes or subclasses conform in total to the classes required by OMB. An agency head may even delegate the authority to divide the travel object class to subordinate units, as the situation warrants. This necessary delegation of accounting authority leads to costs below the object class level being recorded in a variety of different ways and makes it impossible to summarize quickly detailed analyses of costs in a consistent way for the entire Executive Branch.

Several of the changes outlined in the report have already been implemented. For example, GSA routinely publishes a Contract Air Services Directory and has begun publishing a directory listing hotels and motels across the country that offer Federal discounts. We have also begun the implementation of the remaining recommendations, some of which will require as much as a year to implement completely.

Question 3. What savings are projected from adopting the Interagency Project's recommendations? Will those savings be reflected in lower travel budgets in future years? How long will it take to implement these recommendations and achieve the projected savings and at what cost to the Government?

Answer. The projected savings total $201.7 million, with $116.2 million projected for direct travel cost savings and $85.5 million projected for travel related administrative cost savings. These savings will be reflected in travel budgets in future years. A detailed breakdown of the savings is found in the executive summary of our report.

Implementation of the specific actions to meet the President's directives can occur in some cases within six months, according to preliminary plans. More complex changes may require a year or more to complete. Although detailed implementation costs have not yet been determined, it appears they will be minimal.

Question 4. Since Government contractors can and do circumvent the restrictions on first-class travel by owning or leasing aircraft which are fully reimbursed under the contracts, does OMB need to revise its policy to cover these situations?

Answer. We are examining the issue of controlling contractor travel costs as part of the implementation effort. Policy changes will be developed as needed.

Question 5. What was the single biggest problem uncovered by the Interagency Project? What examples of travel abuse did the project uncover?

Answer. The project did not look for specific instances of travel abuse. Rather it concentrated on identifying agency travel characteristics and systemic problems with travel management practices.

Although the project did not reveal any widespread abuse of travel by Executive Branch employees, it did uncover several problems among which are the following:

No purpose could be identified for 27 percent of the trips in the vouchers sampled. This was due largely to the inappropriate use of general travel authorizations that did not require management attention to the purpose and need for trips.

Most agencies failed to take adequate advantage of available discounts for airlines, hotels, or rental cars. These discounts and other opportunities for travel cost savings were lost largely due to agency inattention to proper travel management practices.

Complex and obsolete reimbursement policies resulted in excessive administrative costs with no apparent benefit to the Government or the traveler. According to a recent GAO report, cumbersome reimbursement procedures resulted in travel voucher processing costs of $400 million a year. In addition, there were almost $143 million in outstanding travel advances in fiscal year 1980, according to agency estimates.

Our report recommended improvements in all three areas.

Question 6. How can OMB and the Congress get a handle on how much money agencies really need for travel? How much travel is really necessary? How much travel being performed now is unnecessary?

Answer. What is needed, in terms of travel, chairs, telephones, heat or any object of expenditure, depends on (a) which agency programs are to be carried out and at what levels, and (b) what combination of expenditures will result in the least total cost to the Government.

There is no way to look at an aggregate set of travel data for the executive Branch as a whole, or even by department or agency and from that data determine how much of that travel was necessary or unnecessary. Accounting for travel costs according to the purpose of the travel may give some indication as to the relevance of an agency's travel to its expressed missions, but it cannot tell us precisely how much travel is really necessary. For example, an agency with a large field inspection force would be expected to have a high percentage of site visits but the exact percentage would be debatable.

Moreover, because there are lags between the time an appropriation is requested, enacted and revised—parts of which may occur before and during the time when a program is in operation—the agency managers who must carry out the day-to-day operations of the programs need some flexibility to take into consideration the changing economic and political conditions as they occur.

These considerations are the ones that should determine travel requirements and the related spending levels needed to provide for them. The point is that the minimum amount of travel needed to carry out an agency mission will vary greatly from program to program and, over time, is a judgement best made by an agency or program manager.

Therefore, Congress should determine in the budget and appropriation process which agency programs should be carried out and at what levels; OMB should work with the relevant travel policy agencies to establish travel policies, regulations and procedures that are simple and provide cost savings opportunities; the agency heads should be given the authority to determine the least costly amount of travel that, in combination with other items of expenditure, will result in the minimum total cost to the Government of carrying out the programs for which they are responsible; and GAO should assure that travel expenditures are in accord with appropriation language and Government policy.

Question 7. In November 1978, GAO suggested that OMB make its bulletins regarding travel cost reductions applicable to travel aboard Government-owned aircraft. Has OMB acted on this?

Answer. Most of OMB's past bulletins regarding travel cost reductions have applied to all travel, including travel aboard Government-owned aircraft. Employees who travel aboard such aircraft are still reimbursed for subsistence expenses and therefore incur some travel costs covered by our previous bulletins. The only travel cost they avoid per se is the air transportation cost which, in the case of Government-owned aircraft, is charged to a non-travel object class. GAO is doing another study of Government-owned aircraft and we will examine GAO's findings before determining any other actions required by OMB.

Question 8. How do you intend to implement the recommendation in the Interagency Project report and in prior GAO reports that agencies be required to budget and account for travel by purpose? How do you plan to implement other project recommendations?

Answer. This recommendation is being addressed under the implementation theme "improve travel budgeting and cost controls" and has been assigned to OMB for implementation.

Other recommendations have been grouped for implementation purposes into eight other implementation themes and assigned to members of the Travel Management Improvement Group. This Group was established to coordinate the implementation effort by the OMB Director in July 31 memorandum to all executive agency heads (copy attached as Attachment 1). The assignment of implementation themes to Group members is shown on Attachment 2. Each member agency is identifying a team leader for its areas of responsibility and will be developing detailed implementation plans. Most implementation actions will come in the form of revised travel regulations, additional contracts for discount travel services, contacts with travel agents and Scheduled Airlines Traffic Officers to provide expanded travel services, and OMB travel management directives.

Question 9. There seems to be a significant amount of travel for things such as conferences, speeches and the like. Can't this be radically cut? Stories uncovered by the GAO revealed serious abuses of Federal travel policies. For example, a conference of 40 Agriculture managers was held in Maryland although all but one of those managers was located in Washington, D.C.; or even worse, a meeting was held in Charleston, S.C., to be attended by 14 D.C. based personnel and 13 field-based personnel from the mid-west and west even though Charleston is not a regional office and the conference was for the benefit of the field-based personnel. Why are such abuses allowed to continue? What has happened to the "least cost" policy of OMB? Why has Agriculture been allowed to continue their policies for ignoring "least cost" when organizing internally sponsored conferences and meetings?

Answer. As a percentage of all trips, travel to conferences and to deliver speeches only accounts for 7 percent of the trips in the Executive Branch. Although this amount is small, we do focus a lot of attention on reducing it wherever possible. In the Department of Agriculture, where most examples of conference travel abuses have been reported, this type of travel accounts for less than 5 percent of total travel. Nevertheless and principally because abuses of this nature have been identified, Agriculture issued an internal policy prohibiting practices that leads to abuses of this type.

It is still OMB's policy to minimize all unnecessary travel, including conference travel. In addition, since the establishment of statutory Insepctors General in the major departments and agencies, the Offices of the Inspectors General now assess agency travel practices from time to time. In fact, some of the abuses were identified and reported by IGs. Further, to assure that agencies across the government comply with travel reduction policies, one of the implementation tasks presently being addressed by the Travel Management Improvement Group is the design and application of a travel management assessment and audit process. This process will assess agency compliance with OMB and other Executive Branch travel policies and should serve to discourage continuation of the abuses you have cited.

Question 10. A recent letter to OMB Director Stockman from Senator Percy urged that regulations be proposed to prohibit unnecessary travel by lame duck Executive Branch political employees. What is OMB's position on this? Apparently the abuse is very widespread and includes one Secretary's trip overseas by the Concorde instead of regular travel at a much greater savings to the taxpayers.

Answer. OMB's position on this issue is contained in the Director's reply to Senator Percy, a copy of which is attached for the record as Attachment 3. In his reply, the Director stated that he shared the Senator's concern about all unnecessary travel and will be tightening current travel authorization policies to reduce the opportunities for this type of abuse.

Question 11. Why do we not curb all first class travel usage domestically by Secretaries and their entourages? Apparently the real horror stories in travel abuse lie with the upper level travel and not the chicken inspectors and bank examiners.

Answer. The prohibition on the use of first class travel accommodations applies to all Federal employees, including Cabinet Secretaries. As a practical matter, however, department heads are given the final authority to approve exceptional uses of first class travel under certain defined circumstances. It is not really practical to move such approval to a higher level.

Question 12. What can Congress do to help improve travel management? What legislation is needed? Will OMB be proposing any legislation to the Congress?

Answer. One of the President's directives will require legislative action; and we will be working with Defense and GSA to prepare a proposal for consideration by the Congress. This proposal would modify the statutes that establish the per diem and actual cost reimbursement rates. (5 USC 5707, 37 USC 404, and 22 USC 1136). We are still discussing the best approach to take in proposing these changes.

Question 13. Under the flat-rate per diem concept, are we not running a risk that some travelers will be over-compensated? What assurance do we have that this risk is worth taking?

Answer. All per diem systems, even the one currently used for non-high rate areas, run some risk of over-compensating travelers who choose to spend less than the normal traveler.

The current per diem system seeks to minimize any chance for over-compensation by reimbursing lodging at actual cost up to a miximum and reimbursing meal and incidental travel expenses based on the number of quarter days on travel status. The results are threefold:

1. Almost all travelers obrtain the maximum reimbursement permitted, therefore the restrictions do not save any significant amount of money.

2. Actual lodging and meal costs always vary from the standard reimbursement rates because of the occasional unavailability of discount or moderately priced lodging and business obligations that entail unusually expensive meals. Travelers who lose money one day because of unusually high expenses are unable to recover some of their loss by living frugally the next day.

3. The cost of filling out, checking and auditing the detailed vouchers requred by this approach is staggering. Total voucher processing costs were estimated by the GAO to be over $400 million, or over 10 percent of total travel costs.

We support a locality-based flat rate per diem system. The methodology used to set the rates will assure that travelers are reimbursed for those costs that a prudent person would incur using available dodging discounts and eating meals reasonable in price. Under this system, overcompensation would occur only if a traveler actually spent less for meals and lodging than the cost that a prudent person would have incurred. This approach recognizes that the Government has an obligation to provide its travelers with a reasonable subsistence level but no right to tell them where to stay or what to eat.

Question 14. What is needed to tighten up on the controls over travel authorization procedures? What will OMB do in this area?

Answer. A number of actions are needed to tighten up on the controls of travel authorization procedures. They begin with reducing the use of "blanket" travel authorizations and requiring greater managerial attention to the purpose and need for all travel. Since the persons who approve travel, generally first-line supervisors, have the greatest impact on eliminating unnecessary travel and on assuring that necessary trips are made cost-effectively, they should be trained in travel management techniques such as planning trips and making travel arrangements to minimize costs, using teleconferencing as a travel alternative, and reviewing travel vouchers for questionable travel. To effect this training Government-wide, we will work with the Office of Personnel Management to include these topics in its recommendations to agencies on their managerial and supervisory training programs.

In addition, OMB will assure that the Travel Management Improvement Group members follow up on the President's directives to tighten up on controls over authorization procedures through the travel regulations they issue. OMB will probably reinforce these regulations by requiring tighter agency travel authorization practices in an OMB travel management directive.

Question 15. In fiscal year 1980, there were over $143 million out in travel advances and approximately $30 million of these were out over 90 days. Why is this figure so large? Can this be remedied by the proposals you document in the report? Why has this been allowed to happen?

The amount of outstanding travel advances is large because many agencies have failed to install effective controls over travel advances. Failure to collect outstanding travel advances is part of the larger Federal debt collection problem documented in the "Report on Strengthening Federal Credit Management" issued in January 1981. This problem exists because agency accounting systems fail to report aged outstanding advances to alert managers to the size of the problem. Also internal agency controls over travel advances are weak and do not require travelers to close out one advance before receiving another. Implementation of the report recommendations for strengthening voucher processing will remedy this problem. We also understand that publication of the report's findings in this area has already caused several agencies to tighten their travel advance controls.

Chairman Roth. Mr. Beres, I welcome you to this hearing. I would ask rather than read your statement in its entirety that we will include it in the record in its entirety, and you can summarize it.

TESTIMONY OF ALLAN W. BERES, COMMISSIONER, TRANSPORTATION AND PUBLIC UTILITIES SERVICE, GENERAL SERVICES ADMINISTRATION, ACCOMPANIED BY IVAN MICHAEL SCHAEFFER, ASSISTANT COMMISSIONER FOR TRANSPORTATION AND TRAVEL MANAGEMENT

Mr. Beres. Thank you, Mr. Chairman. I am Allan Beres, Commissioner of Transportation and Public Utilities Service of the General Services Administration. Accompanying me is Ivan Michael Schaeffer, Assistant Commissioner for Transportation and Travel Management.

I want to express my appreciation for the opportunity to offer testimony today on the subject of Federal travel. For many years, it has been a widely held perception that Federal employee travel is wasteful, inefficient, plagued by fraud and abuse and is a benefit of Federal employment.

The usual example is that of high-level Washington officials who are flying to exotic spots for such activities as meetings and conferences only remotely related to their job functions.

I would like to say that our experience tells us that this perception is wrong. To put matters in proper perspective, the bulk of travel is by thousands of Federal employees visiting the cities where we work and live to conduct inspections of corporate books and records, to engage in health and safety activities, to inspect the quality of food which we eat, to conduct inspections of our Nation's coal mines, to examine the Nation's banks to insure their financial integrity, and to perform the many other similar activities which are vital to the day-to-day operations of the Federal Government.

Such travel could hardly be termed glamorous. In fact, we reported to Congress that during fiscal year 1980 the average trip for a Federal traveler cost is just under $200 and lasted about 4 days.

GSA has focused on the use area of Federal travel to bring about increased efficiency and savings. We have initiated major cost-cutting programs for Federal travelers' use of common carriers, use of lodgings and use of rental vehicles. These activities have literally saved the Government and American taxpayers millions of dollars. GSA has and will continue to initiate programs designed to enhance the use of the Federal dollar. For the past several months, we have been engaged in negotiations with commercial air carriers for Federal employees on official travel.

Under this program, we mandate that all Federal travel between certain cities be by the low-cost carrier having a contract with the Government. These contracts save the Government between 11 and 68 percent on the established coach fare. For example, between New York and Dallas the normal coach fare is $242. The contract fare is $200, a savings of $42 or 18 percent. Between Washington and Portland, Oreg., the regular fare is $380. The contract fare is $176, a savings of $204 or 54 percent. Today we award the final series of contracts for the year ending next July 1. This program has been much more successful than we ever expected. We now have contracts with 18 airlines covering a total of 157 routes nationwide. We estimate that these will result in savings of about $35 million during the course of the next year.

Our airline discount program was preceded by the discount program with Amtrak. Federal employees traveling on official business within the Northeast corridor receive a 20-percent discount on Metroliner service. In its first year of operation, this program saved the Government in excess of $1 million. We are in the midst of additional discussions with Amtrak which we believe will result in potential savings of $3.5 million: In order to cut hotel costs, we have entered into agreements with more than 1,200 hotels and motels in 486 cities throughout the United States, the District of Columbia, and Puerto Rico.

The method in which travel arrangements are made is a major weakness in the Federal travel process. Most frequently, travel arrangements are made either by the traveler or traveler's secretary, neither of whom are travel experts. Most Federal agencies lack expertise in management of Federal travel.

GSA has taken steps to correct this basic flaw in the system. With the approval of the Comptroller General we are currently undertaking a test program whereby we have travel agents make arrangements for Federal travel in specific locations. The travel agents will be responsible for airline reservations, hotel arrangements, ground transportation and a range of other services. We plan to use the travel agents initially on a test basis in Washington, D.C., Dallas/Forth Worth, and Denver.

In addition to these activities, we have been publishing a Federal Contract Air Service and Travel Directory which list the carriers' schedules and other information. Shortly, we will be publishing our first nationwide hotel-motel directory which will provide Federal travelers with information on available discount accommodations.

Tremendous strides have been made by GSA and a number of other Federal agencies in travel management. However, there is still a great deal of work to be done. We are looking forward to working with the departments and agencies, with GAO and OMB, as well as with the Congress and with this committee in formulating mechanisms which will result in savings to the Government while assuring that Federal travel supports the program outcomes for which the fundings is actually provided.

In conclusion, let me say the problem of Federal travel is one of insufficient management. The real problem is the failure of top agency management and line managers to pay careful attention to employee travel and the amount of money spent by employees on trips. There are many areas in which substantial sums of money can be saved if managers focus on opportunities such as the cost-cutting programs GSA has pioneered. Mr. Chairman, this concludes my statement. I will be pleased to answer any questions you may have.

Chairman ROTH. In your opening statement, you make the comment that you don't think that a widely held perception, without taking issue on that, yet you do point out that Federal travel for many years has obviously lacked systematic Government management. It was also found in the interagency study that 27 percent of travel was not documented.

So I have to say in my own judgment it is pretty hard to come to, I think, such a conclusion. I think one of the reasons the public is disenchanted is that the perception is that we don't have control of travel.

I must confess there is a lot of merit to that charge. I applaud your efforts in trying to negotiate contracts to insure we get minimum costs to the Federal Government, but let me ask you what assurance do we have that we are getting the lowest rates?

For example, it is my understanding that Aviation Weekly reported this week that many of the Government fares negotiated by GSA are higher than those available to the average traveler.

As you may or may not recall, a few years back, the criticism of GSA was that you could, despite the large purchases being made by Government, that the Federal Government was paying a higher price for a typewriter than a private citizen could go into a retail store and purchase it. As I say, it is my understanding from Aviation Weekly, the Service, the rates negotiated in the area of Government, that they are higher than those available to the average traveler. What are you comparing the GSA rates with, the published rates?

Mr. **Beres**. Yes, sir, the basis for our rate comparisons, that is when we mentioned percentage reductions and dollar reductions, are based on published tariffs at the time the contract is awarded.

Chairman **Roth**. Isn't it a fact many of those published rates are difficult to understand the real rate for travel, even for the individual non-Government traveler? There are a dozen discount rates available. What are we doint to insure we are getting the lowest rate available?

Mr. **Beres**. There are two things we have done, sir. First in our contract efforts to achieve the reduced rates from the contract airlines, there are, and have been for years, specific discount rates available, special fares that are either based on time, a particular location, or the departure time of the flight midweek fares and fares applicable only during certain times of the day.

These are areas that traditionally the agencies and the Federal employees have not been able to take advantage of, simply because of weakness both in the information process and the delivery mechanism for the travel.

This is what we are trying to correct, both through the contract airline program and with our pilot travel agency tests, where the travel agency will be the source that has all the discount flight information available and, indeed, telling the Federal employee this flight is available, and you will be taking this flight unless there is some serious reason why you cannot take it. Those are the types of advantages out there that we would like to have everyone be aware of, and be able to take advantage of.

Chairman **Roth**. Because of the large amount of travel by the Federal Government, shouldn't you be able to negotiate the lowest rate that is made available to an agency with an airline?

Mr. **Beres**. Yes, sir.

Chairman **Roth**. Are you familiar with this charge in Aviation Weekly, have you seen that?

Mr. **Beres**. No.

Mr. **Schaeffer**. I saw that early this morning. That is a very cute article, Mr. Chairman. However, the facts don't withstand our analysis.

To begin with, the contracts we have negotiated with the airlines include a provision whereby if there is a lower fare on the airline, the Federal traveler can take advantage of it. That is certainly the case in Tucson and Philadelphia. So the Federal employee, in fact, would afford himself of the lower fare if that fare were available by way of meeting the other restrictions.

That is a time-restricted fare. Historically, the airlines have a lack of willingness to provide this kind of fare to Federal travelers and when we conducted negotiations with the industry and said, "Make the same kind of discount available to us as the Government as you do to the private travelers," the industry had no interest in doing that. That is why we started contracting. The fares we have in our contract program are available on every single flight that an air carrier provides, 7 days a week, 24 hours a day. The types of fares which Aviation Weekly is referring to are restricted fares. They are between particular timeframes or may be good if you make the reservation 7 days in advance.

If someone is making arrangements, for instance, to fight a forest fire, we don't know 7 days in advance, obviously. Those types of promotional fares, because of restrictions attached to them, have never really worked for the Federal Government because you cannot often plan long enough in advance.

Chairman ROTH. Let me ask you this, what about in those situations where you can?

Mr. BERES. We expect that people will. In fact, our regulations require that you always do that. The regulations which we have require that the traveler look for the lowest cost of transportation. Management has to force people to do that. We want management to do that.

The airline contract program is designed to make people focus on the fact it is not necessary to travel at standard coach fares and we have in part been very successful in doing that.

Chairman ROTH. I have not seen the article myself. One question I was going to ask you, and you anticipated, you do have a clause in your contract that provides you will get advantage——

Mr. BERES. Yes, sir, it was our implementing regulations which provide for the agencies when there is a fare available on an airline with which we have a contract that that lower fare will be used.

Chairman ROTH. What kind of savings do you think you made so far under these new contracts? Or what do you anticipate will be the benefit?

Mr. BERES. We are looking for the contract period which ends next July 1 of $35 million savings.

Chairman ROTH. What was that again?

Mr. BERES. $35 million in savings.

Chairman ROTH. Let me ask you this: Your regulations cover everything but the Defense Department; is that correct?

Mr. BERES. The Federal travel regulations cover everyone except the uniformed services.

Chairman ROTH. But it does cover the civilian employees of DOD?

Mr. BERES. Yes, sir, we work with them through the joint travel regulations.

Chairman ROTH. Why are the GSA travel regulations such a mess as the OMB report points out? Why has it taken so long to begin cleaning up the regulations on policies on travel in GSA?

Mr. BERES. I think this is unfortunately a historic evolution that has ultimately led to a rather complex and complicated set of travel regulations. The travel regulations were transferred to us from the Office of Management and Budget in the 1970's. Since that time, the undates have been issued but they have not been issued in a manner where the entire Federal travel regulations is not in one booklet. This is what we are doing now. The next step, of course, is to institute changes to the travel regulations, such as are spoken to in the project, which will simpifly the process.

The elimination of the administrative burdens that are imposed by the travel regulations will be the focus of our rewrites.

Chairman ROTH. I point out in this recent report on page 24, it says civilian agencies are forced to issue their own travel regulations, since the GSA Federal travel regulations is so out of date and complex. The agency's specific directives are needed, but the use of a fully duplicative regulation at the agency level is very costly since every change made to the overall regulations causes a cascade of changes to the numerous agency regulations. The problem if further compounded by the promulgation of additional sets of separate regulations by many large subagency organizations and field officers.

The recommendation is: To clarify the present system of regulation, we recommend that common user U.S. Government travel regulations be established.

I am not sure, do you expect to act on that recommendation?

Mr. BERES. Yes, sir, we have been acting on it for the last year and a half. We have been working very seriously and devoting a lot of resources just to this effort.

Chairman ROTH. Did you say the last year and a half?

Mr. BERES. Yes, sir.

Chairman ROTH. How long is it going to take to issue this kind of regulation? How much longer?

Mr. SCHAEFFER. The regulations is now in fact out. It is at the Government Printing Office.

One of the problems with the regulation was the inability to quickly change it and distribute it.

We now have it on the Government Printing Office list of publications and it will be a subscription item so that problem, which was a historical problem, has now effectively been cured.

Mr. BERES. What we are looking for now is we do have the new issue of Federal Travel Regulations and all the travel regulations are in one binder and now turn our attention to rewrite of travel regulations, streamlining them, putting them in clear English and making the corrections we all see now are needed.

Some of those corrections, as Mr. Harper mentioned, will require legislative approval. We will be seeking that approval later this year.

Chairman ROTH. Do you anticipate that this will permit the elimination of these agency travel regulation?

Mr. BERES. We are in agreement obviously with OMB in that regard, that the duplication of travel regulations made by each of the agencies is unnecessary and sometimes often would lead to confusion in the interpretation of travel regulations.

Chairman ROTH. In what areas have you documented travel abuse? What action do you think Congress should take with respect to these areas?

Mr. BERES. Mr. Chairman, I think the major problem, as I mentioned earlier, is one of lack of management attention to the travel area. There are opportunities for cost savings. Either through lack of attention or lack of communications throughout the executive branch, insufficient attention is being paid to the individual abuses that are found.

I think we must depend to a great extent on the Inspectors General network to really pay attention to this and their audit of internal operations. I think those should be acted on where there are violations to the travel regulations, the ones at fault should be adequately punished.

I think in any system, particularly when we are talking about the number of employees, there are bound to be and will continue to be some cases of abuse, some worse then others. I don't known that we can ever completely eliminate that. Certainly we can direct enough of management attention to preclude it and minimize it. I think one of the things GSA can play a particularly strong role in is the issuance of the rewritten travel regulations which are clear, precise, eliminate a lot of the confusion as far as processing is concerned, and also in the development of mechanisms for delivery of the travel, such as the travel agent pilot program that I mentioned a while ago.

Chairman **Roth**. I would like you, once you get these regulations issued, to report to this committee in 6 months to a year thereafter what are the consequences of the adoption of these regulations and where you see the meaningful problems continue to lie.

I think that is all the questions I have for you today.

Thank you very much.

Mr. **Beres**. Thank you, Mr. Chairman.

[The prepared statement of Mr. Beres, a GSA news release, and responses to written questions submitted by Senator Roth follow:]

General
Services
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Statement of

Allan W. Beres

Commissioner, Transportation and

Public Utilities Service

General Services Administration

Before the

Senate Committee on Governmental Affairs

July 30, 1981

Mr. Chairman, I am Allan Beres, Commissioner of the Transportation and Public Utilities Service of the General Services Administration. Accompanying me is Mr. Ivan Michael Schaeffer, Assistant Commissioner for Transportation and Travel Management. On behalf of the Administrator of General Services, Gerald P. Carmen, I want to express my appreciation for the opportunity to offer testimony today on the subject of Federal transportation and travel management improvement.

This morning I would like to provide you with an overview of our responsibilities relative to Federal travel, the actions GSA has taken to assure that official travel by Federal employees is warranted, steps taken by GSA to reduce travel costs through effective travel management practices, and our recommendations for additional initiatives to further reduce the Government's travel costs.

GSA's Role in Travel Management

GSA has a diverse range of responsibilities bearing on official travel by Federal employees. Probably the most familiar of these is our role as the office that issues the Federal Travel Regulations, which prescribe travel and relocation allowances for civilian employees. These regulations provide the broad framework governing all civilian federal travel. We also conduct, pursuant to the Travel Expense Amendments Act of 1975 (Public Law 94-22), periodic investigations of the cost of travel and the operation of privately owned vehicles to employees while engaged on official business.

The results of these investigations, which are conducted in consultation with the Comptroller General of United States, the Secretaries of Defense and Transportation, and representatives of Government employee organizations, are reported to the Congress. Our most recent report to the Congress was dated September 26, 1980. GSA also has another requirement for reporting travel data to Congress, and I will address this later in my testimony.

Under authority granted by the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 481), GSA has continued working to control and reduce the cost of Federal travel. Other GSA functions related to Federal travel include the centralized post audit of freight and passenger transportation vouchers paid by the Government, the establishment of uniform procedures governing the procurement of passenger transportation services, contracting for passenger transportation services on behalf of the civilian agencies, and transportation and traffic management programs covering teleticketing, Scheduled Airline Ticket Offices (SATO), centralized household goods shipping, and similar matters. We have initiated actions designed to assure that travel is accomplished by the most economical means as part of a total program that will provide professional and cost effective management of Government travel.

Travel in the Federal Government

The Federal Government currently spends in excess of $3 billion annually on travel by its employees. For many years there has been a widely held perception that Federal employee travel is wasteful, inefficient, plagued by fraud and abuse, and is a benefit of Federal employment. The usual example is that of high-level Washington officials who are flying to exotic spots for such activities as meetings and conferences only remotely related to their job functions. I would like to say that our experience tells us that this perception is wrong. To put matters in proper perspective, the bulk of travel is by thousands of Federal employees visiting the cities where we work and live to conduct inspections of corporate books and records, to engage in health and safety activities, to inspect the quality of food which we eat, to conduct inspections of our nation's coal mines, to examine the nation's banks to ensure their financial integrity, and to perform the many other similiar activities which are vital to the day-to-day operations of the Federal Government. Such travel could hardly be termed glamorous. In fact, we reported to Congress that during Fiscal Year 1980 the average trip duration for official travel was 3.96 days with an average cost of $206.61.

Both the Office of Management and Budget and the Congress have frequently tried to eliminate waste, fraud, and abuse in the travel area simply by reducing travel funds. In 1980, Congress mandated a $500 million reduction in all Federal travel. These actions forced Federal managers to focus more closely on how travel dollars were being expended. Federal travel for many years has obviously lacked systematic Government management. We recognize that across-the-board budget cuts are a direct and effective control mechanism. However, they sometimes have unintended effects. For example, one of the drawbacks of the FY 1980 cut was that it affected two major budget categories involving expenditures on items ranging from subsistence allowances to parcel post shipments. The agencies returned scores of vehicles to the GSA motor pools as a result, because the cost of leasing these vehicles was considered a travel cost. While agencies were returning cars to the motor pools, they were in some cases simultaneously purchasing vehicles on the open market since vehicle purchases did not count as travel costs. These serious cuts have had a profound impact on such programs as law enforcement, military training, and safety inspections of factories and mines.

GSA believes that an improved travel management program is the most effective means to deter abuses and implement improved controls over the use of travel funds. We should keep in mind that travel is a mechanism for supporting programs which are essential to the operation of the Government. Travel is nothing more than a component of these programs and, if soundly managed, should enhance Government efficiency and productivity and provide a return on investment far in excess of the cost of travel and per diem expenses.

As result of Public Law 96-346, approved on September 10, 1980, the Administrator of General Services is required to collect certain information regarding the travel of those agencies which spend in excess of $5 million a year on the transportation of people. This statute also requires the submission of reports to Congress identifying the general causes and purposes of travel, certain cost data, and inefficient travel practices. The statute requires that the Administrator provide the Congress with three reports: the first, covering Fiscal Year 1979, was submitted on January 30, 1981, the second, covering travel for Fiscal Year 1980, was submitted on June 2, 1981. The third report, analyzing Fiscal Year 1981 travel, is scheduled to be submitted to the Congress on June 1, 1982. The first report was based on data obtained by the Interagency Travel Management Improvement Project. GSA based its Fiscal Year 1980 report on data collected through questionnaires to agencies as well as a voucher sampling conducted in cooperation with the 25 reporting agencies. In addition, each agency was requested to answer travel management questionnaires for both Fiscal Years 1979 and 1980. These questionnaires centered on the practices engaged in by each respondent agency in managing Federal travel. For the Committee's convenience we are attaching to this testimony copies of our 1979 and 1980 reports. We found that the three general areas of concern involving federal travel are (1) travel management, (2) travel reimbursements, and (3) travel arrangements.

Travel Management

The fundamental deficiency in handling travel by agencies is found in the overall lack of travel management. We stated in both the Fiscal Year 1979 report and again in the Fiscal Year 1980 report that some agencies lack clearly defined travel management organizations. Most agencies do have travel management organizations, however, they vary widely in level of effectiveness and efficiency. We still see a need for a mechanism which would activate a Government-wide network of agency officials who can participate in developing overall travel policies and serve as agency contact points for travel matters. We are aware that this overall deficiency was an area of particular concern to the Interagency Travel Management Improvement Project and we recognize that any efforts toward implementation of its recommendations probably will begin with work aimed at curing this fundamental problem.

It is important to note that travel management means more than buying airline tickets and sending an employee on a trip. Travel management begins with creation of a sound travel management policy. By this, I mean that there can be no travel management in the Federal Government without a clear enunciation of the policies and principles under which travel is to be conducted. This ranges from such issues as use of coach seats and discount fares to the method by which we compute per diem allowances and the manner in which agencies reimburse their employees for Federal travel. In the past much of this has been done on a helter-skelter basis with agencies failing to fully implement regulations enacted by the Administrator of General Services and, frankly, by the failure of GSA to carefully police agencies' actions through an effective and aggressive oversight program. I will address GSA's actions to correct these shortcomings later.

It is essential, that Federal agencies have input to travel management policies during developmental stages rather than being faced with a fait accompli in the form of publication in the Federal Register. We have attempted through our Interagency Travel Management Committee to bring proposed changes of regulations to the early attention of responsible agency officials in order for them to have a meaningful input prior to regulations being implemented.

It is of increasing importance that agencies begin to look at travel through a single, coherent approach rather than the fragmented approach currently found in many Federal agencies. Our studies have revealed that some agencies fail to approach travel in this manner. For example, some separate bureaus, offices and divisions of large departments and agencies have their own individual, in effect proprietary, interpretation of what Federal travel management policies are. GSA is confronting this and other important travel issues. It has been long acknowleged within GSA, even prior to the work of the Interagency Travel Management Improvement Project, that a new methodology is essential for determining travel entitlements. Because of this, members of our staff have been working for the past year at preparatory efforts to revamp the Federal Travel Regulations. This is an undertaking which we hope to complete during the course of Fiscal Year 1982. We are also undertaking careful evaluations of our methodology in computing travel subsistence reimbursement in High Rate Geographical Areas, and reimbursement for use of privately owned vehicles. We at GSA are dedicated to assuring that the Federal travel budget will go as far as it possibly can in providing for essential and mandated travel to perform agency missions and functions. We want to be certain that our regulations and methodologies do not act contrary to these intentions.

Travel Reimbursement

Our studies, and those of the Interagency Travel Management Improvement Project, have determined that one of the greatest shortcomings in Federal travel is the expense associated with the administration of travel.

We reported for 1979 that the Interagency Travel Management Improvement Project had found that the administration and control of travel advance monies needed improvement essentially across the board in the Federal Government. In 1980 we determined that there is still a definite need to establish controls which would substantially reduce the percentage of travel advance funds which are outstanding in excess of 60 days. With the exception of travel money which is advanced to employees on a continuing or permanent basis because the employee is in an almost constant travel status, travel advances should be settled through the filing of a travel voucher promptly upon completion of each trip or at least every 30 days. While we did recognize some improvement between 1979 and 1980 in individual agencies, this is still a significant problem area for the Federal Government. We expect the Interagency Travel Management Improvement Project to recommend, as a short-term corrective action, that the heads of departments and agencies modify their procedures regarding travel advances to (1) review all permanent travel advances every 90 days and recall any issued to individuals who have not traveled during that 90-day period; (2) establish procedures to follow up with travelers who do not immediately refund excess travel advances issued on a trip-by-trip basis; and (3) establish procedures to recover excess travel advances from employee's salaries no later than 60 days after the issuance of the advance or completion of the trip.

One of the major burdens faced by Federal agencies relates to processing travel vouchers upon completion of the trip. The dollars spent on post-audit of travel vouchers for verification of entitlements and allowances claimed greatly adds to the overall cost of Federal travel. The General Accounting Office (GAO), in a January 19, 1981, report entitled "Increased Productivity In Processing Travel Claims Can Cut Administrative Costs Significantly", found that the current per diem methodology places a significant burden on both employees and agencies in filling out travel vouchers and making reimbursement for Federal travel. GAO has recommended certain changes in the method of computing subsistence reimbursement which would place all Government travel on what is known as a lodgings-plus basis for reimbursement. Under this methodology, an employee would be allowed the cost of lodgings, subject to fixed maximums, for a given locality and then an additional fixed sum for meals and miscellaneous expenses. We are in general accord with GAO's approach and we intend to take their recommendation one step further by seeking implementation of a flat rate locality based per diem system. Essentially, this system would provide for expense reimbursement based on a flat rate for each day or fraction of a day that an employee is in a given city. The fixed rate would be based on the results of GSA's travel costs studies. For instance, if an employee was required to travel to Charlotte, North Carolina, and our studies determined that the cost of one day's lodgings and subsistence was $52.00, the employee would automatically be entitled to $52.00 for his/her day's travel without actually accounting for individual factors of the overall expense. We fully recognize that in this system of reimbursement there will be individual cases of both over-reimbursement and under-reimbursement; however, any deficiencies in this area will be far more than offset by the vastly improved administrative efficiency of such a flat rate system. A greatly simplified form of trip vouchering could be incorporated into the system and would result in significant savings in the administration of Federal travel, while still providing employees with an essentially equitable basis for reimbursement.

Travel Services

GSA has a dual responsibility in that it must set a policy insuring that the Government travel programs operate as efficiently as possible while still assuring that Federal employees are treated fairly in terms of the reimbursement they receive for expenses incurred on behalf of the Government. Nowhere is this divergence of responsibility seen more clearly than in the area of travel services. In the policy area, we have mandated that employees who use commercial air carriers on official business must do so by using less-than-first-class accommodations. Only very limited exceptions to this policy may be permitted under GSA's travel regulations. There has long persisted, however, a perception that habitual use of first-class accommodations by official Government travelers constitutes an improper and inefficient travel practice which should be eliminated. Since 1979, GSA has been collecting data on the authorized use of first class accommodations. The agencies submit semi-annual reports to GSA, and includes data relative to the excess cost to the Government, based on the difference between first-class accommodations used and the next lower class below first class. From agency reports and the data that we have compiled, we have determined that the additional cost associated with use of first class accommodations does not appear to be significant nor does there appear to be excessive or improper authorization for such use.

As I mentioned earlier, under authority granted by the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 481), GSA has continued working to control and reduce the cost of Federal travel. We have initiated actions designed to assure that travel is accomplished by the most economical means as part of the total program that will eventually provide professional and cost-effective management of Government travel. The first of these initiatives was to secure an agreement with AMTRAK to provide a 20-percent discount on rail passenger fares for official travel on Metroliner coach service between Washington, DC, and New York, New York. GSA and the Department of Defense agreed, in turn, to mandate the use of AMTRAK for official travel between these two cities. From July 1979 through June 1980, AMTRAK reported an increase in passengers of 35,461 directly attributable to increased Government use. Application of the 20-percent discount reduced the cost of rail travel between these cities by almost half a million dollars. The diversion of official travelers from air to rail service at a savings of $25 per trip resulted in an additional saving of almost $900,000. With full consideration that certain increases in per diem and possibly lost productive time resulted from the use of rail rather than air service, we estimate that the discount program resulted in a net savings of $1 million dollars in Government travel costs. The first agreement with AMTRAK expired on December 31, 1980, and has been replaced by a new discount agreement which is expected to reduce travel costs to the Government by a half million dollars for the period April through October 1981. We anticipate that additional agreements with AMTRAK will extend travel into markets beyond the Northeast corridor in the near future.

On May 5, 1980, GSA launched its contract air fare program, designed to provide discount air fares to travelers on official Government business. Under terms of the contracts, use of the contract airline between the city-pairs is mandatory for Government travel, with only certain limited exceptions. Our initial contracts, awarded over a year ago, provided for airline service by four carriers between 11 city pairs. These first contracts provided air service at reduced rates ranging from 35 percent to 69 percent of the airline Standard Industry Fare Level. The first city pair contracts proved to be highly successful. Nearly 47,000 Government travelers used the first contracts for an actual savings of $5.4 million in government travel funds.

A second solicitation resulted in awards of contracts in December 1980, to ten airlines for scheduled jet coach service at reduced fares between 47 city pairs for the period January 2 to June 30, 1981. On February 20, 1981, negotiations resulted in awards for an additional 11 city pairs and one additional airline carrier was added for the period March 1 to June 30, 1981. Based on projected use by the Government and the differences between the current "Y" class airline fares and contract fares, we are anticipating a savings of $12 to $14 million in travel funds during the life of the second set of contracts. It should be noted that this estimated savings is equal to, or more than, each of the individual travel costs of 11 of the 26 agencies which spend in excess of $5 million for transportation of passengers. During the course of this contract we received requests from both the Senate and House of Representatives to include their Members, employees, and staffs in the airline contract program. We have succeeded in amending most of our contracts to accomplish this resulting in even further travel savings to the Government.

A third solicitation was issued in April 1981. These contracts are intended to supplement our existing agreements and greatly expand the number of city pairs under contract. We have also issued a fourth solicitation, which closed on July 1, 1981, for an additional 55 city pairs. As of July 21, 1981, contracts have been awarded to 15 carriers for air travel between 93 city pairs. We are anticipating that this final round of contracts will lead to awards to approximately 20 air carriers covering approximately 150 city pairs. A projected annual savings in excess of $35 million is expected.

We are proud of these achievements, which are indicative of the progress GSA has made in improving its operations and its support to the Federal establishment.

One way to better manage travel is to keep travelers better informed. In order to do this we have undertaken to publish a monthly Federal Contract Air Service and Travel Directory. GSA has contracted with Official Airline Guides, Inc., to produce a service and information directory covering each of the city pairs for which we have contracts. The directory is a joint project with the Military Traffic Management Command of the Department of Defense. The directory contains ground transportation information, airline schedules, GSA motor pool information and hotel/motel discount information.

About a year ago, our regional offices in Atlanta and San Francisco solicited a number of hotels and motels in their respective geographic areas to obtain discounts on lodgings for Federal travelers on official business. These undertakings proved to be highly successful, so much so that we have determined that the program should be national in scope. We will produce our first nationwide Federal Hotel/Motel Discount Directory later this summer. This directory will contain a listing of over 1,200 lodging establishments located in all 50 States, the District of Columbia, and Puerto Rico. We anticipate that the use of the discounts offered by these establishments could save the Government an additional $12 to $15 million annually in travel expenses. This project and the directory, in addition to cutting Federal travel costs, serve a valuable purpose in providing Federal travelers with listings of establishments which will afford them the ability to travel without spending personal funds on Government trips. This directory will be updated semi-annually.

We are examining additional mechanisms for obtaining discounts for the Federal Government, including undertaking a thorough examination of the methods used by the Government to procure travel services. For many years the Federal Government has been precluded from using commercial travel agents for the procurement of official travel services. This prohibition, based upon a regulation promulgated by the General Accounting Office, has been in effect for even longer. GAO, however, has recently taken another look at its policy and regulations and has begun granting, on an experimental basis, permission for a number of Federal agencies to test the use of travel agents. In each of these experiments agencies have been given permission to competitively contract for travel agent services for a given department or facility. GSA received authority on July 9, 1981, from the Comptroller General to engage in a broad-based experiment with the use of travel agents in each of our 11 regions. We expect to award our first contract to a commercial travel agency for this purpose late this fall. We hope to eventually establish a network of at least 40 such operations in major metropolitan areas resulting in annual travel cost savings of approximately $20 million and broader and more effective usage of our airline contracts as well as achieving a better method of delivering travel services.

With the cooperation of the Air Transport Association of America, GSA is improving and enhancing existing Scheduled Airline Ticket Offices, better known as SATO's, as a method of delivering travel services to a multiagency clientele. Additionally, certain of our regional offices are operating a limited number of Government operated ticket offices. An analysis of each of these operations will enable us to determine which mechanism or mechanisms are best suited for procuring travel services for the Federal Government at the greatest savings of tax dollars.

Our future oversight programs will also be focusing on travel expenditures in a much more concentrated manner than we have in the past. The key here, however, is for each of the Federal agencies to realize that travel management is a serious business. Individual employees should not be allowed the latitude of determining the mechanism of securing services or choosing the air carrier by which they will travel. It has long been evident to us and of course to the Congress, GAO, and the Office of Management and Budget that travel must be administered in a much more thoughtful and careful way.

The most effective points at which travel abuse can be eliminated are at the points of authorization and initial travel service procurement. In order to do this, agencies must authorize only warranted travel and regularly monitor compliance with GSA travel and transportation regulations. This is an area in which agencies must be particularly mindful.

Recommendations to Improve Cost Effective Travel

Inherent in what I have said here today and based on the recommendations contained in the draft report of the Interagency Travel Management Improvement Project, there are recommendations in three major travel management areas which, if implemented aggressively, could lead to substantial savings of travel resources. They are as follows:

(1) There is a need to more effectively manage Government-wide approaches to travel. A recent GAO report on improving travel management points out that travel cost has continued to grow despite efforts at reduction. The same report questioned the effectiveness of previous efforts to reduce travel costs and to improve agency travel practices. It is clear that travel management must be taken more seriously by Government managers and executives. This is not an area in which we can afford to get by with lip service. This is an area, which like any other area of Government, requires careful management.

(2) The general lack of control over travel arrangement results in a failure to take advantage of significant opportunities for travel cost savings. Once a trip has been authorized, the specific airline, lodging, and other travel arrangements determine the cost of that trip. Experience tells us that most travel arrangements are made by their secretaries with the result that traditional discount air fares are not always widely used. The discount air fare contracts, the discount lodging program, and the travel delivery mechanisms which we have dicussed here would go a long way in correcting this. Similarly, it is the responsibility of the agencies to institute proper travel management practices including the designation of travel routings and management determinations that all travel, including the conduct of conferences, is being conducted in the manner most likely to minimize travel costs, while keeping down the number of persons who must travel to be in attendance. This is an area in which GSA is taking the lead. We have instituted procedures designed to ensure that meetings are held in the most cost effective location. We are currently working on a computer model which will enable any agency to determine, based on the number and location of meeting attendees, where conferences should be held at the lowest possible cost.

There are two other areas where management controls are necessary to keep down travel costs. One area involves travel by consultants and the other involves training. There is a tendency to award consultant contracts without assuring that travel under those contracts will be in conformance with allowances for Federal employees. The result of this is that while a Federal employee traveling with a contract consultant must fly on a contract airline, stay at a hotel and limit expenditures for meals in accord with the per diem allowance, the contractor can fly first-class, stay in the finest hotels and eat at the best of restaurants and do it all at Government expense. In the training area, it is all too frequent for students to be flown to a central site for training rather flying one instructor to the location of his/her pupils. Careful coordination between training and travel staffs can result in significant savings.

One other way to save money on travel is not to travel at all. In some cases video-conferencing or tele-conferencing provide attractive alternatives to travel. This is another area in which managers must determine the best way for people to deal with problems. On-site problem resolution is not always essential. We must teach managers that the easiest answer to a problem is not always found by putting someone on an airplane.

(3) Out of date and complicated reimbursement policies result in extremely high administrative costs, with little benefit to either the Government or its travelers. In order to correct this obvious shortcoming, we are working at improving the Federal Travel Regulations and at revising the basis for entitlements and reimbursements to the Federal traveler. This includes simplifying the vouchering process and other changes to the Travel Regulations which will make administration of travel far less costly for the Federal agencies and less burdensome for Federal travelers. Thus, we will be tying changes in per diem methodology to changes in the voucher reimbursement system in order to achieve increased effectiveness and cost savings at both ends of the system.

Conclusion

The matters which I have addressed today are not new; you have heard about many of these things before. Our findings, our recommendations, and our attitudes toward travel parallel those of the General Accounting Office, of the Office of Management and Budget and, of course, many members of the House and Senate and certainly this Committee. We are all concerned about the manner in which travel dollars are expended. The Administrator of General Services is firmly committed to a policy of cost containment while providing essential services to travelers engaged in official business on behalf of the Government.

This is an area in which, during the past several years, tremendous strides have been made by GSA and a number of other Federal agencies. However, there is still a great deal of work left to be done. We are looking forward to working with the departments and agencies, with GAO and OMB, as well as with the Congress, in formulating mechanisms which will result in savings to the Government while assuring that Federal travel supports the program outcomes for which the funding is actually provided.

In conclusion, let me say that the problem with Federal travel is one of insufficient management. The perception that Federal employees become rich while on travel status, while widely held, is clearly erroneous. The real problem with Federal travel is the failure of top agency management and of line managers to pay careful attention to employee travel and to the amount of money being spent by employees on given trips. There are many areas in which substantial sums of money can be saved if managers focus on opportunities such as the cost-cutting programs that GSA has pioneered.

Mr. Chairman, this concludes my statement. I will be pleased to answer any questions you or your fellow Committee members might have.

GSA
News Release

GSA #8287

July 30, 1981

U.S. GSA Awards Contracts With 12 Airlines For Discount Fares

The U.S. General Services Administration today awarded contracts to 12 airlines for travel between 45 city-pairs at discount rates for federal travelers. The contracts are estimated to be worth $4.5 million to the airlines and will save the government about $2.3 million over commercial rates during their one-year life.

The contracts for discounted air travel are part of a comprehensive travel management program undertaken by GSA as part of the administration's effort to cut the cost of government travel. GSA's program is expected to reduce the cost of government travel by about $60 million annually.

GSA Administrator Gerald P. Carmen, who announced the contracts, said "Government, just like the private sector, has to be innovative to offset the bites inflation takes out of available dollars. In GSA, we are proud to be on the leading edge of innovation in travel management techniques aimed at saving money."

The total airline discount program, which alone is expected to save over $35 million a year, covers 158 cities. GSA has awarded contracts worth $74 million to 17 airlines for discount fares. The fares are being utilized by Members of Congress as well as executive branch travelers.

Carmen also announced an experiment to use commercial agents to arrange required travel for federal employees. The Denver Federal Center, which employs 11,000 government workers with a travel volume in excess of $5 million a year has been selected as the site for the first contractor-operated travel

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center. The facility will serve all 45 federal agencies represented there and is expected to save $500,000 a year on the cost of travel. Contracts will be awarded this fall for the Denver center as well as for Washington, D.C., and Dallas-Ft. Worth, Texas. Travel centers now planned could save the government $7 million per year. If GSA is able to expand the program to its 11 regions nationwide, the savings annually could reach $20 million.

In September, Carmen said, GSA will issue its first national directory of hotels and motels which give discounts to federal travelers, anticipated to save an additional $12 - $15 million. The directory will list more than 1,200 lodging establishments in 50 states, the District of Columbia and Puerto Rico. The directory will be used extensively in the travel centers.

GSA today made available printed schedules for its airline discount program. Federal travelers are required to purchase tickets using contracts negotiated under this program. The one-year contracts are for fares which range from 11 to 68 percent below current commercial jet coach fares.

On some air routes, more than one contract was awarded. If seats are not available on the airline with the lowest bid price per trip, agencies will go to the next lowest.

GSA negotiated the first contracts for lower air fares in May 1980, to four airlines for travel between 11 pairs of cities. These contracts, effective in July 1980, were used by 46,938 federal travelers, saving the government $5.4 million before they expired last December.

At that time new contracts were awarded to 10 airlines for reduced fares between 47 city-pairs, and in February 1981 negotiations resulted in the award of contracts for travel between 10 additional city-pairs and with one more

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airline. It is estimated that these contracts saved about $8 million before they expired on June 30.

Airline companies now under contract with GSA are Alaska, Air New England, Altair, Capital International, Air California, Braniff, Eastern, Republic, Midway, Mid Pacific, New York Air, Northwest, Ozark, Pan American, Texas International, Western, and World.

Travel expenses are reduced further by a GSA agreement with the National Railroad Passenger Corp., Amtrak, for a 20 percent discount for federal travelers between New York City and Washington, D.C., with no fare greater than $30. GSA is negotiating with Amtrak for expansion of this program and up to 21 additional markets. GSA projects a potential savings of about $3.5 million a year as a result of the Amtrak agreement. Federal travelers are required to use Amtrak when no air contract service is available.

As a result of a 1979 agreement between GSA and Amtrak, Amtrak reported an increased ridership of 35,461 passengers in a savings to the government of about $1.4 million in FY 1980.

# # #

WILLIAM V. ROTH, JR., DEL., CHAIRMAN
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United States Senate
COMMITTEE ON
GOVERNMENTAL AFFAIRS
WASHINGTON, D.C. 20510

August 19, 1981

Mr. Allan W. Beres
Commissioner
Transportation and Public Utilities Service
General Services Administration
Chester Arthur Building
Washington, D.C. 20406

Dear Mr. Beres:

I would like to take the opportunity to thank you on behalf of the Committee for appearing and testifying at our recent hearings on Federal Travel Management. Your testimony provided us with valuable information and a strong data base on which the Committee may better understand and deal with the problems of control and management of travel.

To provide a complete and detailed Committee Record I have enclosed a series of written questions to which I would appreciate a response within two weeks. These written questions and your answers will be included in the Record for further Committee study.

Again, thank you for your participation in our hearings.

Sincerely,

Bill Roth

William V. Roth, Jr.
Chairman

WVR:sb

General Services Administration
Transportation and Public Utilities Service
Washington, DC 20406

SEP 14 1981

Honorable William V. Roth, Jr.
Chairman
Committee on Governmental Affairs
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

This is in reply to your letter of August 19, 1981, concerning the control and management of Federal travel.

Our responses to your questions are enclosed. We appreciate your giving us the opportunity to discuss our position on these issues. If we can provide you with any further information, please do not hesitate to contact us.

Sincerely,

ALLAN W. BERES
Commissioner

Enclosure

Senator Roth's Questions

Question: In your role of prescribing travel regulations, what can you do to tighten controls and better assure that managers comply with travel policies?

Answer: GSA intends to actively pursue implementation of the Interagency Travel Management Improvement Project (ITMIP) recommendations to improve controls on Federal travel. A significant suggestion in this regard is the activation of a Government-wide network of agency officials who can participate in developing overall travel policies and serve as agency contact points for travel managers. There cannot be an effective travel management program in the Federal Government until managers have a clear understanding of the policies and principles under which travel is to be conducted. We believe greater participation in the development of travel policies will assist agency understanding and compliance. In addition, we will continue to monitor agencies' compliance with GSA travel and transportation regulations through the travel data collection and congressional reporting mechanism mandated by Pub. L. 96-346, September 10, 1980. This has proved an effective means of monitoring adherence to Federal travel policies and procedures.

Question: How will GSA carry out its oversight responsibilities to determine whether the regulations it prescribes are effective in controlling travel costs?

Answer: Our future oversight programs will focus more on travel expenditures than they have in the past. The data we receive from Federal agencies as mandated by Pub. L. 96-346 will help us identify and correct poor travel practices and abuses and monitor the success of our cost controlling initiatives.

Question: I understand that new contracts have been awarded guaranteeing the Government savings by contracting with airlines. What have been the savings so far under the contract airfares?

Answer: For the period July 1, 1980, through March 31, 1981, we estimate that GSA's contract air carrier program resulted in a savings to the Government of approximately $9.4 million. During this period, over 100,000 employees used contract air carriers. Data on savings for the period April 1 through June 30, 1981, are not as yet available.

Question: Do you have any information on whether agencies are making full use of the contract flights?

Answer: Agencies report that during the period July 1 through December 31, 1980, 34 percent of all Federal travelers used the airline contracts. We believe this moderate level of contract utilization is because the program is new and because of the legitimate exceptions to contract usage. Nevertheless, we are monitoring this closely to ensure that the agencies are using these discount fares in accordance with our regulations. This information is only available for this 6-month period because the initial contracts required agencies to report to GSA on the number of air carrier trips taken and whether contract or noncontract airlines were used. This has not been required for subsequent contract periods because of the cost and administrative burden to the agencies. However, our contracts for the period January 1 through June 30, 1981, required the contract air carrier to submit a quarterly report to the Military Traffic Management Command. This report contains a breakdown of the number of Government travelers and the resulting revenues. This report provides the basis for our more recent use analyses.

Question: Could you give us additional information concerning the Aviation Weekly article of July 27 claim that many of the government fares negotiated by GSA are higher than those available to the average traveler?

Answer: As you may be aware, many of the airlines have from time to time offered to the public considerable discounts from existing fares. However, due to the various restrictions placed upon the use of these discounts, such as time requirements or length of stay required, the Government has been unable to take advantage of many of them. The airline contract fares, though perhaps more expensive than certain discounts offered by the airlines to the general public, are less costly than unrestricted coach class fares.

With regard to the issues raised in the July 27, 1981, issue of "Aviation Week & Space Technology," we would like to advise you of the following:

First, the article cites a roundtrip fare of $282 between Philadelphia, Pennsylvania and San Antonio, Texas. While this fare is not restricted as to length of stay or advanced ticket purchase, seats at this price are capacity controlled and few are available.

Second, our air carrier contracts provide that whenever a contract carrier offers a fare to the general public which is lower than the contract fare, the Government may use the lower fare. Accordingly, Federal employees could use the lower fares mentioned in the magazine article if they qualify under restrictions set by the airlines and if seats are available.

Question: In FY 1980 there were over $143 million out in travel advances and approximately $30 million of these were out over 90 days. Why is this figure so large?

Answer: The significant cash outlay for travel advances is due to the fact that few Federal employees are willing to finance official trips with personal funds because of the time it takes the Government to reimburse employees for these expenses. Lack of aggressive agency recovery procedures for collecting outstanding advances results in the excessive number of advances over 90 days old.

Question: Can this be remedied?

Answer: We believe that implementation of the following ITMIP recommendations will significantly improve travel advance procedures and reduce the cost the Government incurs as a result of issuing travel advances:

- Modify procedures for travel advances to permit payment through the use of travelers checks obtainable through bank computerization on a 2-day notice. This system would provide the agency accounting office with frequent printed reports or instantaneous computer data on the checks ordered by each traveler. It would then be a simple matter to verify that the value of the checks ordered by the employee agrees with the amount of advance authorized, the amount reported on the travel voucher, and the amount that is appropriate for the particular trip, if that amount is less than the total the employee is authorized to draw.

- Issue permanent travel advances only to employees in frequent travel status. Review all permanent advances every 90 days and recall any issued to individuals who have not traveled during that 90 day period. This will reduce the travel advance float and result in short-term interest cost savings in FY 1982 of $0.3 million based on the FY 1980 average interest rate.
- Require departments and agencies to follow up on travelers who do not immediately refund excess trip-by-trip advances and recover excess travel advances from employees' salaries no later than 60 days after issue of the advance or completion of the trip.

Question: How soon after implementing legislation is approved could you have a flat-rate or two-tiered "lodgings-plus" per diem method implemented?

Answer: We estimate approximately 90 days.

Question: What will be the dollar savings you anticipate?

Answer: The ITMIP has determined that adopting a locality-based flat rate per diem will result in an administrative cost savings of $46.1 million to the Government.

Question: There is a difference in the figures of unaccountable travel in the OMB Interagency Task Force Report and the GSA '80 report to Congress. What is the amount of unidentified travel?

Answer: GSA's 1980 report to Congress was based on a sampling survey of travel vouchers obtained from 26 Federal agencies and departments. Our review of these documents found no instance of unidentifiable travel.

Question: What conclusions can be drawn here?

Answer: We determined that the ITMIP's finding that the high incidence of travel with no identified cause or purpose was not due to poor control of blanket authorizations but resulted from unclear or general statements on the vouchers that prevented specific identification of the trip's purpose. Agencies were required to identify the cause and purpose of travel represented in the samples submitted for GSA's 1980 Congressional report, which accounts for the discrepancy between the two studies. As a matter of information, a test effort by GSA's survey team to identify cause or purpose of fiscal year 1980 travel from documentation alone resulted in findings similar to those included in the ITMIP report.

Question: How do you plan to use travel agents to maximize savings to the Government?

Answer: We plan to contract with commercial travel agents to operate several pilot-project travel centers designed to serve a multiagency clientele in areas of concentrated Federal population. We emphasize that these are test operations that will be conducted to determine the feasibility of using travel agents, at no cost to the Government, to secure travel services for official travel.

Question: Will these agents replace SATO's?

Answer: No. We do not expect to establish GSA travel centers in locations where SATO's are currently operating.

Question: How will savings be realized?

Answer: We expect to achieve significant administrative savings by having travel agency employees perform certain Federal employee functions such as arranging travel itineraries and securing tickets and reservations, and using travel agents to secure the lowest possible fares available for official travel. We also anticipate that there will be a general upgrading of the level of service provided the Federal traveler by having professionals perform these services.

Question: Has this plan been tested anywhere in the Government to date?

Answer: The Department of Labor (DOL) recently initiated the first project that involves travel agents arranging Federal Government travel. Unlike GSA's travel centers which are designed to serve a multiagency clientele, the DOL test is designed to serve that agency only.

Question: Can you tell us about any effective travel practices identified in your studies of travel and have you promulgated them for use by others?

Answer: In order to assure that travel is accomplished by the most efficient and economical means, GSA has initiated the following progams:

- Pursuant to an agreement with AMTRAK, Federal employees receive a 20 percent discount on rail passenger fares for official travel on Metroliner coach service between Washington, DC and New York City, New York. We estimate that use of this discount between July 1979 and June 1980 resulted in a savings of approximately $1 million in Government travel costs. Because of the success of this program, we would like to expand our agreement with AMTRAK to include routes outside the Northeast corridor.

- Since its initiation in May 1980, GSA's contract air carrier program has resulted in significant savings to the Government. For the period July 1, 1980, through March 31, 1981, this program has saved the Government approximately $9.4 million. Presently, 19 carriers are providing services between 160 city-pairs. This program is available for official travel by Federal civilian employees and Members of Congress and their staffs.

- GSA is in the process of establishing several high-volume travel centers, as pilot projects, which would be operated by commercial travel agents under contract to the Government. These travel centers will be available to a multiagency clientele.

- GSA publishes jointly, with the Department of Defense, a monthly Federal Contract Air Service and Travel Directory. The directory contains ground transportation information, contract airline schedules, GSA motor pool information, hotel/motel discount information and schedules and fares for AMTRAK Metroliner service between Washington, D.C., and New York, New York. We believe that this guide encourages use of our discount travel programs by keeping travelers informed of available services.

- GSA recently published a directory of hotels and motels offering discounts to Federal employees. The Federal Hotel/Motel Discount Directory contains a listing of over 1,200 lodging establishments located in all 50 States, the District of Columbia, and Puerto Rico. We anticipate that the use of the discounts offered by these establishments could save the Government an additional $12 to $15 million annually in travel expenses. This directory, in addition to cutting Federal travel costs, serves a valuable purpose in providing Federal travelers with listings of establishments which will afford them the ability to travel without spending personal funds on Government trips.

- GSA is working with the Air Transport Association of America to expand the capabilities of existing SATO's so that they can provide travel services to a multiagency clientele. In addition, several GSA regional offices are developing a number of Government operated ticket offices. We intend to closely monitor these programs in order to determine the most efficient and economic method for procuring travel services for the Federal Government.

- GSA is trying to minimize conference travel costs by reducing the number of persons who must travel to be in attendance. We have recently instituted procedures to ensure that meetings are held in the most cost-effective location. In addition, we are working on a computer model which will enable any agency to determine, based on the number and location of meeting attendees, where conferences can be held at the lowest possible cost.

Question: What travel alternatives has GSA developed? Are they working?

Answer: GSA believes video or teleconferencing are two good alternatives to travel since onsite problem resolution is not always essential. We are presently studying the feasibility of including video transmission services in our solicitations for telecommunications services. In the meantime, commercial facilities are available and are presently being used by Federal employees to a limited extent. GSA has begun serious efforts to increase agency awareness of teleconferencing approaches and their potential as cost-effective substitutes for travel. We expect to continue expansion of these efforts as a part of our travel management program.

Question: Should Government contractors and grantees be required to use the contract airfares wherever practicable?

Answer: Certainly, any person expending Government funds for official travel should be encouraged to use contract fares. However, presently, the only contractors that can use GSA sources of supply and services are cost-reimbursable contractors.

Grantees are not eligible to participate in the contract airline program. Pursuant to letters dated May 16, 1972, and September 19, 1972, OMB directed GSA to discontinue providing services and sources of supply to grantees. In response to those directives, the Administrator discontinued the use of GSA sources of supply services by Federal grantees (F.R. Vol. 37, No. 220, November 14, 1972).

Cost-reimbursable contractors are authorized to utilize GSA sources of supply and services where it is considered in the best interest of the Government in terms of economy and efficiency. The Federal Procurement Regulations (41 CFR Subpart 1-5.9) contain the policies and procedures for Federal agencies regarding the use of GSA supply sources by cost-reimbursable contractors. Specifically, the regulations provide that when an agency determines that it is in the best interest of the Government to do so, the agency shall authorize in writing its prime contractors and, where appropriate, their subcontractors, to utilize GSA supply sources in performing Government contracts.

Question: In what areas have you documented travel abuse? What are the reasons for this abuse?

Answer: The only recurring abuse we have been able to identify is agency failure to schedule training programs and conferences in the manner most likely to minimize travel costs.

Frequently, students are flown to a central site for training rather than flying one instructor to the location of the majority of the pupils. Also, conferences are often held in locations far from the majority of participants, thereby increasing long distance travel. Lack of coordination between training staffs/conference arrangers and travel staffs is the primary cause of this problem.

Chairman Roth. Mr. Gould, the Director of the Federal Personnel and Compensation, General Accounting Office.

We will ask you, as others, to summarize your statement. Your full statement will be included in the record as if read.

TESTIMONY OF CLIFFORD I. GOULD, DIRECTOR, FEDERAL PERSONNEL AND COMPENSATION, GENERAL ACCOUNTING OFFICE, ACCOMPANIED BY THOMAS EICKMEYER, GROUP DIRECTOR, FEDERAL PERSONNEL AND COMPENSATION DIVISION, AND ROGER HULTGREN, EVALUATOR, FEDERAL PERSONNEL AND COMPENSATION DIVISION

Mr. Gould. Thank you, Mr. Chairman.

We appreciate your invitation to be here and appear before the committee this morning to discuss management of travel within the Federal Government.

Before I summarize my statement, I would like to introduce on my left Tom Eickmeyer, Group Director in the Federal Personnel and Compensation Division. On my right, Roger Hultgren, who is the Evaluator-in-Charge of our work in the travel area.

Travel is essential to the effective administration of Government programs. Yet there is a general impression that the Government spends too much on travel, and it is widely perceived as an area of waste and inefficiency. Studies by GAO and others have highlighted opportunities to reduce costs and stressed the need to better manage travel.

We believe that Federal managers have focused too much attention on the accuracy of travel reimbursements after trips are made and not enough on reviewing beforehand the need for the trips in the first place.

Furthermore, top agency officials do not always require managers to comply with Federal travel policies which, in our opinion, indicates a lack of commitment to the goal of eliminating unnecessary travel.

Efforts during the past 5 years by the Congress and the President to reduce travel costs have not succeeded. OMB data shows that travel expenditures remained constant at $2.1 billion from fiscal year 1970 to 1975, but increased to $3.2 billion by fiscal year 1980.

Last year, the Congress made an across-the-board cut of $500 million in travel and transportation funds from the President's fiscal year 1980 budget. However, executive branch agencies subsequently received supplements to their travel and transportation budgets totaling $700 million for a net increase of $200 million over the President's original budget request.

In addition, the cost of administering travel is high. Although the total cost is unknown, we estimated the cost——

Chairman Roth. Could I ask a question there?

In prior years, where there have been no cuts, did they typically increase their appropriation for travel? In other words, is this $700 million an addition to offset the $500 million or has that been a pretty typical pattern in the past?

Mr. Eickmeyer. In this particular instance, it was mainly due to the increases in the fuel costs that year, unexpected increase. In previous years, though, the travel project found an interesting phenomenon. During the years when OMB or the Congress attempted to put in controls and reduce travel costs, those were the years that seemed to have the greatest increases in travel expenses.

Chairman ROTH. I guess what you are saying, I assume if you had not had that $500 million cut, that they would have come back anyway because of the increase in energy?

Mr. EICKMEYER. Right.

Mr. GOULD. This is quite possible.

As I started to say, the cost of administering travel is high. Although the total cost is unknown, we estimated the cost for processing claims could have been as much as 400 million in 1979—about 16 percent of the amount spent for travel.

Our January 1981 report recommended that the General Services Administration and other departments and agencies act to cut these costs significantly by:

One, proposing legislation to revise the reimbursement method for high cost areas;

Second, eliminating redundant, overly detailed supervisory reviews; and

Third, improving voucher audit activities at payment centers.

Better data is needed if travel is to be more effectively managed. In three reports since 1977, we have recommended that budgeting and reporting systems be revised to focus more specifically on the purpose of travel, but this has not been done.

The interagency travel management improvement project makes the same recommendation. If information on the purpose of a trip is lacking, Federal managers do not have a sound basis for approving the travel.

Another area of concern to us is the loose travel authorization procedure used by some agencies. In a review conducted last year, we focused on travel management in the Departments of Agriculture and the Army. These two organizations illustrate the range of travel authorization procedures. In the Army, we found that travel was usually authorized by written orders and that blanket travel orders were issued only to a few high-level officials and others who may have to travel on short notice.

Agriculture, on the other hand, has included in its travel regulations a general travel authorization for all employees of the Department. An employee in Agriculture needs only verbal approval from his or her supervisor to travel.

We share the Congress interest in reducing the cost of travel where possible. However, we continue to be concerned about imposing unrealistic limitations on the use of funds for one particular purpose, such as travel. Program managers will comply with arbitrary limits because they have to; however, they are also responsible for meeting their program objectives and may thus use other methods that require less travel but are also less satisfactory. For example, they may make greater use of routine reports to measure program results rather than make site visits to get firsthand knowledge; the former method may be less effective and efficient from the program standpoint. In the long run, this could cost more, and it might not give managers the same insights and firsthand experience that can make them better informed and more effective in carrying out their responsibilities.

We would prefer to have OMB, other Government agencies, and the Congress focus on desirable program levels through the executive and legislative budget processes. We believe this is better than focusing on one function, such as travel, completely out of the context of program objectives.

We believe the travel project's findings are consistent with ours in those areas where the work of the project and GAO's efforts overlap. We endorse the project's recommendations, and we believe that implementation of those recommendations will reduce travel costs and lead to improved management.

This concludes my prepared statement, Mr. Chairman. I will be happy to try to respond to your questions.

Chairman ROTH. Mr. Gould, I have to say ideally I would agree with you that the best procedure is to do it through the normal authorizing and through the budgetary process. The problem is it really has not happened so that I think Congress, in order to be heard on these matters, has had to take this kind of a step.

I wouldn't argue with you that that kind of a cut is certainly not the most desirable method, but somehow there is a strong feeling in the Congress that we have lost control of travel.

I think in a sense you confirm that because in your opening statement you say that the real problem is that top agency officials do not always require managers to comply with Federal travel policies. I must say in all candor, I think that has been the case in all the administrations that have been in office since I served here, whether Republican or Democrat. So I guess I come back to the question I propounded earlier, what can Congress do? Let me ask you this question:

We are in the process of appointing inspectors and I hope we complete action in that area this year. Can you see them playing a large role in getting ahold of this problem, including weeding out nonessential travel?

Mr. GOULD. Yes, I think that is a very important role. As a matter of fact, the work we did for Senator Percy related to "lame duck" travel identified problems with first-class and foreign travel. We sent the specifics of those cases back to the agencies and asked their Inspectors General not only to look at those cases but also to look at their entire travel policy related to first-class and overseas travel.

I am encouraged because we are getting positive responses from the Inspectors General on our recommendation. I think the oversight hearing you are holding here and your expressed interest to the Inspectors General in this area is another good thing you have done.

Chairman ROTH. That is the reason I raise the question. I will instruct the staff that I want to send a letter to the Inspectors General to concentrate in this area.

Mr. GOULD. We share your frustration, too, on across-the-board cuts. If I could suggest the possibility that when programs are authorized, and I realize that is not under the jurisdiction of this committee, but if the amount of travel required for that program was required to be justified as part of that program reauthorization, that is another way. The thing that Dr. Harper mentioned is lack of flexibility when you have the across-the-board cuts.

If you were to tell the executive branch you want *x* number of dollars cut in the budget and leave it to the executive branch and determine which agencies——

Chairman ROTH. I thought we did that last time, maybe I am wrong. I thought this last proposal gave broad authority to OMB.

Mr. GOULD. I don't understand the problem of flexibility then. If you give a dollar figure and allow them to make the cuts, it is much better, in our opinion, than flat across-the-board kind of cuts that are not discriminating and can create hardships in one agency compared to others.

Chairman ROTH. I have to admit that is my reaction, too.

I would like to go back a minute to the Department of Agriculture. It is my understanding that a report issued by GAO last December pointed out that it had the largest civilian budget and the worst control system of documented abuse.

Are you familiar with that?

Mr. GOULD. Yes, I am.

Chairman ROTH. Is there any evidence, any steps taken by that agency to improve upon it?

Mr. GOULD. Quite the contrary. They feel they are in compliance with the regulations, that they only issue blanket travel authorization for essential travel. They have not changed their procedures.

This also has been expressed, both by Secretary Carlucci and Director Harper this morning, that this is an area that needs to be tightened up.

Again, it is something the oversight committee might want to direct specifically to the Department of Agriculture to do.

Chairman ROTH. I am sorry.

Mr. GOULD. I said you might want to direct specific directions to the Department of Agriculture concerning those blanket travel authorizations.

Chairman ROTH. What I am going to suggest is that a letter be prepared for that purpose, sent to the Secretary with a copy to OMB and to the Inspector General of that Department. We have an Inspector General in the Department of Agriculture?

Mr. GOULD. Yes, you do.

Agriculture's comments on our report should have come to your oversight committee as part of section 236 followup. Whether or not you have that I am not sure. We can provide you a copy.

Chairman ROTH. Yes, we do have that.

Let me ask you this question: Should voucher processing be streamlined?

The question has come up with respect to the cost of voucher processing. Do you believe that costs can be reduced by streamlining and reducing the number of supervisory reviews?

What data have you collected concerning this problem?

Mr. EICKMEYER. Mr. Chairman, if I could answer that. In our report earlier this year, it was determined that the cost of the processing vouchers was about $400 million. We identified areas for reducing and streamlining the voucher processing procedures. We suggested a two-tier program and we also said the ultimate might be to return to the flat rate per diem method that was discussed here this morning.

We support that proposal which would result in significant cost savings.

Once the Government goes to a flat per diem rate, there is the possibility of then even further streamlining the process by going to what we term as the possible voucherless processing system which is used in the private sector where people can be paid in advance of the trip and upon return all that is necessary is a signature by the supervisor to certify that the trip was made.

In regard to the supervisory review, that study found in one instance as many as 10 supervisory reviews were made of a travel voucher. What we are suggesting is managers need to focus that attention up front, should the trip be made and not worry that much about the reimbursement process. By simplifying and streamlining the voucher processing system, we believe that shift in management attention will take place.

Chairman Roth. I think one of the greatest problems in Government is the redtape we have created within our own system. And I think Congress, frankly, has played a role in that by concentrating on some bad examples and then trying to set up all kinds of procedures to control those rather than keep our eye on the general management problem.

I am, for that reason, interested in the general recommendations that are made by this recent interagency study.

I would like to ask you, does GAO support the recommendations made to use private travel agents, contract air fares, standardization of travel regulation systems as well as proposed major reductions in general travel authorization?

Mr. Eickmeyer. Yes, sir, we do support those proposals.

GAO has had a general prohibition in using travel agencies in the past. However, recently we have authorized the four agencies to conduct tests that show the cost-benefits of using travel agents.

Once those are demonstrated, GAO could be in the position then of lifting that ban that dates back to 1899. The other areas also would help to reduce cost of travel and the administration of travel. We do support those recommendations as well.

Chairman Roth. I am hopeful that these recommendations can be implemented and when they are that you would, within a reasonable time thereafter, review them and let us know as to whether or not there is improvement.

In many cases, the travel authorization says, it is based upon the purpose of the requested travel, "to conduct official business," or something similar.

Do you think we ought to require more specific information in order to justify travel?

Mr. Gould. I think the comment "for official business" isn't very meaningful. It doesn't tell you the purpose of the trip. Presumably all Government travel is for official purposes. We are talking about more specific as to whether it is for conference, training, site inspection.

Chairman Roth. In other words, precisely say what the purpose of the trip is?

Mr. Gould. That is correct.

Chairman ROTH. Gentlemen, I appreciate your assistance on this matter and would ask that you continue to apprise us of what progress you think is being made in this area.

Thank you very much.

[Mr. Gould's prepared statement and responses to written questions submitted by Senator Roth follow:]

PREPARED STATEMENT OF CLIFFORD I. GOULD, DIRECTOR, FEDERAL PERSONNEL AND COMPENSATION DIVISION

Mr. Chairman and members of the committee, I appreciate your invitation to appear before the Committee today to discuss the management of travel within the Federal Government.

Travel is essential to effective administration of Government programs. Yet, there is a general impression that the Government spends too much on travel, and it is widely perceived as an area of waste and inefficiency. Studies by GAO and others have highlighted opportunities to reduce costs and stressed the need to better manage travel. We believe that Federal managers have focused too much attention on the accuracy of travel reimbursements after trips are made and not enough on reviewing before hand the need for the trips in the first place. Furthermore, top agency officials do not always require managers to comply with Federal travel policies which, in our opinion, indicates a lack of commitment to the goal of eliminating unnecessary travel.

Efforts during the past 5 years by the Congress and the President to reduce travel costs have not succeeded. OMB data shows that travel expenditures remained constant at $2.1 billion from fiscal year 1970 to 1975, but increased to $3.2 billion by fiscal year 1980. Last year, the Congress made an across-the-board cut of $500 million in travel and transportation funds from the fiscal year 1980 President's budget. However, executive branch agencies subsequently received supplements to their travel and transportation budgets totalling $700 million for a net increase of $200 million over the President's original budget request.

In addition, the cost of administering travel is high. Although the total cost is unknown, we estimated the cost of processing travel reimbursement claims could have been as much as $400 million in 1979—about 16 percent of the amount spent for travel. Our January 1981 report[1] recommended that the General Services Administration and other departments and agencies act to cut these costs significantly by:

(1) Proposing legislation to revise the reimbursement method for high cost areas.
(2) Eliminating redundant, overly detailed supervisory reviews.
(3) Improving voucher audit activities at payment centers.

Three procedures are used for reimbursing employee travel expenses. The first, called "lodgings-plus," reimburses the employee for his average actual costs for lodging plus a fixed amount for meals and miscellaneous expenses for each day of travel. The second method is used in the designated high-rate geographical areas, and this method reimburses employees for their actual costs, up to the ceiling established for each area. The third is flat-rate, which is used for travel of civilian employees in foreign areas.

The actual cost reimbursement method is complicated and overly detailed. We estimate that processing vouchers under this method costs over $36 each, while processing lodgings-plus vouchers costs about $21 each. The added cost is the result primarily of the requirement to itemize daily expenses and to collect and verify documentation. We do not know what it costs to process flat-rate vouchers but believe it would be lower.

We have recommended adoption of a two-tier lodgings-plus system to simplify the reimbursement process and reduce the costs of administering travel. The Interagency Travel Management Improvement Project is recommending a flat-rate per diem method for all travel, similar to that now used for travel of civilian employees in foreign areas. The flat-rate method would simplify the reimbursement process and reduce the cost of administering travel even more than our proposal.

Before these recommendations can be adopted, the Congress needs to revise the statute that now requires reimbursement for "actual" expenses for travel to high-rate areas. We urge this Committee to give prompt attention to this matter.

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[1] "Increased Productivity in Processing Travel Claims Can Cut Administrative Costs Significantly" (AFMD-81-18, Jan. 19, 1981).

Better data is needed if travel is to be more effectively managed. In three reports since 1977,[2] we have recommended that budgeting and reporting systems be revised to focus more specifically on the purposes of travel, but this has not been done. The Interagency Travel Management Improvement Project makes the same recommendation. If information on the purpose of a trip is lacking, Federal managers do not have a sound basis for approving the travel. The Project's study of 13,000 travel vouchers and our recent study of travel by noncareer Government officials [3] done at the request of Senator Percy found that the purposes of the trips were not shown on about one in four vouchers. We understand that OMB is now considering changes to its budget guidance that would instruct agencies to budget for and report travel costs by purpose.

Another area of concern to us is the loose travel authorization procedure used by some agencies. In a review conducted last year, we focused on travel management in the Departments of Agriculture and the Army. These two organizations illustrate the range of travel authorization procedures. In the Army, we found that travel was usually authorized by written orders and that blanket travel orders were issued only to a few high-level officials and others who may have to travel on short notice. Agriculture, on the other hand, has included in its travel regulations a general travel authorization for all employees of the Department. An employee in Agriculture needs only verbal approval from his/her supervisor to travel. In our December 1980 report, we recommended that the Secretary of Agriculture restrict the Department's general travel authorization to employees whose work requires frequent routine travel and require written authorization for all other travel. Agriculture has not changed its procedures. The Travel Project also recommends tighter controls over travel authorizations.

Over the last 5 years, OMB has issued a series of instructions to agencies on controlling travel expenses including limiting the number of employees who are authorized to attend conferences. But agency officials often ignored these instructions. As one example we found that during this period, Agriculture's Forest Service increased the number of conferences its employees may attend. In July 1977, the Forest Service's travel regulation authorized its officials to attend 50 national conferences. By January 1980, the list had increased to 77 national conferences, an increase of over 50 percent. In addition, the Service's travel regulation gave blanket authorization for large numbers of people to attend these conferences. For example, 111 people were authorized to attend the Forest Products Research Society Conference and 59 were authorized to attend the National Aububon Society Conference. Neither we nor Agriculture knows how many Forest Service employees actually attended those conferences because Agriculture's travel authorization procedures do not require the purpose of trips to be documented.

To reduce costs, travelers should obtain economical air fares. The Federal Travel Regulations require travelers to use less-than-first-class accommodations, except in certain limited circumstances. Use of first class must be justified and approved in writing.

During our recent work for Senator Percy covering a limited sample of travel by high-level noncareer Government officials, we found that the required justification for the use of first-class accommodations was not included on travel vouchers in over 75 percent of the trips in which first class was used. We notified the heads of departments of these instances and asked them to collect any overpayments and to review their Department's controls to see that future uses of first-class accommodations are justified and properly documented. I would like to point out here that the use of first-class accommodations is not widespread. GSA data shows that the extra cost for first-class travel Governmentwide was $242,000 for fiscal year 1980.

In our study we also found that these senior officials used foreign carriers for over one-half of the overseas trips they took. U.S. law requires Government personnel to use U.S. carriers when they are available. Our Office is continuing to review those trips. If we find that use of a foreign carrier was improper, we will ask the Department to collect the costs of the trip from the traveler. Data is not available on the frequency of use of foreign carriers for all Federal employees.

We share the Congress' interest in reducing the cost of travel where possible. However, we continue to be concerned about imposing unrealistic limitations on the use of funds for one particular purpose, such as travel. Program managers will comply with arbitrary limits because they have to; however, they are also responsible for meeting their program objectives and may thus use other methods that require less travel but are also less satisfactory. For example, they may make greater use of routine reports to measure program results rather than make site visits to get first-hand knowledge; the former method may be less effective and efficient from the program standpoint. In the long run, this could cost more, and it might not give managers the same insights and first-hand experience that can make them better informed and more effective in carrying out their responsibilities. We would prefer to have OMB, other Government agecnies, and the Congress focus on desirable program levels through the executive and legislative budget processes. We believe this is better than focusing on one function, such as travel, completely out of the context of program objectives.

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[2] "Proposals for Improving the Management of Federal Travel" (FPCD-81-13, Dec. 24, 1980), "Temporary Duty Travel in the Management and Operation of Department of Defense Programs" (FPCD-77-84, Oct. 28, 1977), and "Travel in the Management and Operation of Federal Programs" (FPCD-77-11, Mar. 17, 1977).

[3] "Travel by Certain Noncareer Government Officials" (FPCD-81-49, May 27, 1981).

In 1980, OMB established the Interagency Travel Management Improvement Project to study travel practices in the Federal Government and to recommend ways that agencies can maintain efficient operations under constrained travel budgets. We were pleased to serve as a member of the Executive Committee of this project. My staff frequently consulted with the project staff during their study.

The study was a comprehensive review of all aspects of travel management and was conducted in a highly professional manner. We believe the Project's findings are consistent with ours in those areas where the work of the Project and GAO's efforts overlap. We endorse the Project's recommendations, and we believe that implementation of those recommendations will reduce travel costs and lead to improved management.

This concludes my prepared statement. I will be happy to respond to any questions the Committee may have.

U.S. Senate,
Committee on Governmental Affairs,
Washington, D.C., August 19, 1981.

Mr. Clifford I. Gould,
Director, Federal Personnel and Compensation Division, General Accounting Office, Washington, D.C.

Dear Mr. Gould: I would like to take the opportunity to thank you on behalf of the Committee for appearing and testifying at our recent hearings on Federal Travel Management. Your testimony provided us with valuable information and a strong data base on which the Committee may better understand and deal with the problems of control and management of travel.

To provide a complete and detailed Committee Record I have enclosed a series of written questions to which I would appreciate a response within two weeks. These written questions and your answers will be included in the Record for further Committee study.

Again, thank you for your participation in our hearings.

Sincerely,

William V. Roth, Jr., *Chairman.*

Responses to Written Questions Submitted by Senator Roth

Question 1. Could you be more specific on what you mean by budgeting according to purpose? Why does GAO recommend this approach, how much will it save, and will it help bring Federal managers into the sphere of responsibility?

Answer. In our reviews of travel management, we have found little information that would indicate how travel money is being used. We found that travel budgets are generally prepared based on the prior year's budget plus an amount for inflation without regard to how much was spent and for what purposes. Without knowing what the funds will be used for, it is very difficult to judge how much travel money is needed. The Congress has expressed its frustration in attempts to find out what travel is performed and the reasons for the travel, and last year the Congress instructed GSA to collect such data on travel performed during fiscal years 1979, 1980, and 1981.

We do not have an estimate of the potential savings that might result from such a change. However, budgeting for travel by purpose will increase the visibility of how the funds are spent and help Federal managers identify where unnecessary travel may be occurring.

Question 2. In your January 1981 report, GAO recommended a two-tier lodging-plus method for reimbursing employees on travel. You mentioned this in your statement, but you also endorse the Interagency Project's recommendation for flat-rate per diem. Which of these per diem methods does GAO prefer?

Answer. The intent of the recommendations is to replace the current system of reimbursing employees for actual expenses because of the high cost of processing such detailed reimbursement claims. Both our recommended lodgings-plus method and the Project's recommended flat-rate method would accomplish this. The flat-rate method offers the advantage of the simplest form of travel voucher—perhaps even a "voucherless" reimbursement method.

We believe managers should focus their attention on the need for travel before the trip and not worry so much about how much an employee claims he spent while on the trip. Thus, we support proposals which will lead to tight controls over travel authorizations and simplified reimbursement procedures. This could be accomplished under either a lodging-plus or flat-rate per diem method.

Question 3. What is the current cost of processing travel claims? Will these costs be significantly reduced by the procedures suggested in the Interagency Travel Management report?

Answer. We estimated the cost of processing travel claims Governmentwide was $400 million in fiscal year 1979 and surely is higher today. The Interagency Travel Project report makes several recommendations that would reduce these costs significantly. Proposed changes include simplified reimbursement procedures, streamlined voucher processing, greater use of sampling for voucher examinations, and tighter controls over travel advances. The Project also recommends a feasibility test of a simplified travel authorization and voucher form that would reduce paperwork through a "voucherless" reimbursement process.

Question 4. What areas can agencies and the Congress focus on to reduce travel cost?

Answer. We have identified several areas where significant savings could be achieved. Streamlining the reimbursement process could save hundreds of millions of dollars. This would require changing the law to permit fixed per diem rates which would allow a simplified process, possibly a "voucherless" reimbursement system. Another area would be to hold managers accountable when they fail to follow Government travel policies. A third area is to focus management's attention on the purpose of travel. We and the OMB study group found that the purpose of about one-fourth of the trips are unknown.

Question 5. What is the "least cost" policy and does it work?

Answer. This is a policy promulgated by OMB that provides for agency sponsored meetings and conferences to be held at locations which minimizes the travel costs. The policy is a good one; however, our reviews and various other studies have shown that the policy is not always followed.

Question 6. Which agencies are good travel managers?

Answer. Based on our most current work, I would say that the Army—and probably all of DOD—has a good travel management system. We say this because the Army uses strict travel authorization procedures, develops its travel budget on a needs assessment based on plans for future travel, and closely monitors use of travel funds during the year.

In our limited work for Senator Percy concerning travel by noncareer officials in 7 departments, only the Department of the Interior had no officials who flew by first-class or used foreign-flag carriers indicating greater management attention in this area.

Question 7. GAO has repeatedly made the point over the years that lack of travel data has hindered cost reduction efforts. Does Congress now have sufficient data to reduce travel spending? Are there recommendations not included in the OMB report that GAO deems necessary?

Answer. Agency travel budgets and expenses for travel and transportation are reported in lump sums. We believe that agencies should budget for and report travel costs by purpose. If this information were available, the agencies, OMB, and the Congress could more effectively manage travel. Lacking this data, the Congress has been forced to use across-the-board cuts. Expressing its frustration over the lack of data on the uses of travel funds, the Congress enacted legislation last year requiring GSA to collect data on the uses of travel money during fiscal years 1979, 1980, and 1981. Adopting our recommendations and the Interagency Travel Project's recommendations would make such data available in the future.

We have made some other recommendations that we believe would improve travel management. These are:

GSA and the Per Diem Committee should eliminate the differences in the boundaries and maximum rates of the high-rate areas.

DOD should develop and propose a legislative package that would make travel entitlements for uniformed personnel more similar to those now in effect for civilian employees.

Agencies should develop productivity measures for travel voucher processing as part of payment center productivity measures and examine payment centers to find ways to increase productivity.

Chairman ROTH. The committee is in recess subject to call of the chairman.

[Whereupon, at 11:33 a.m., the committee adjourned subject to call of the Chair.]

ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

Interagency Travel Management Improvement Project

Report on Strengthening Federal Travel Management

July 1981

Executive Office of the President
Office of Management and Budget

A Joint Project with the General Services
Administration, the Department of Defense
and the Department of State

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

EXECUTIVE SUMMARY

The Federal Government currently spends about $4 billion annually on travel by its employees. Federal travel expenditures are often cited as examples of waste and inefficiency.

GAO audits, Congressional committee reports, and Inspector General studies have reported on travel abuses and recommended ways to curb them. Congress and OMB frequently have tried to eliminate waste by reducing travel funds. The most recent reductions have been $500 million in fiscal year 1980 travel and transportation expenditures mandated by Congress and the 15 percent reduction in fiscal year 1981 travel funds ordered by President Reagan.

Last year, OMB headed an interagency travel management improvement project, with participation by the agencies with major travel policy and oversight responsibilities -- Defense, State, General Services Administration, Office of Personnel Management, and the General Accounting Office. All policies and procedures related to travel by executive branch employees were examined.

The definition of travel used for purposes of the review was:

> "charges incurred for transportation of Government employees or others, their per diem allowances while in an authorized travel status, and other expenses incident to travel that are to be paid by the Government directly or by reimbursing the traveler"

The review did not cover travel costs for contractors or grantees or transportation costs incurred for agency-owned aircraft or motor vehicles.

Findings and Conclusions

The most extensive travel data base ever assembled was constructed from a detailed travel management questionnaire and voucher survey completed by the agencies. In addition, extensive interviews were conducted with officials of Federal, state, local, and foreign governments and private companies. Some of the highlights of these findings were:

- o Travel expenditure levels remained almost constant from 1970 through 1975; and then grew at an average annual rate of 9% from 1975 through 1980. FY 1980 travel expenditures totalled $3.2 billion.

- The Department of Defense spends most of the Federal travel dollars (over 63% in FY 1979). The Department of Agriculture was next with 4.7% of the FY 1979 total.
- The travel dollar was spent for:

  Transportation - 46¢ (25.8¢ for air travel and 15.2¢ for government travel in privately owned automobiles)

  Subsistence - 39¢

  Miscellaneous - 15¢
- Site visits, training, and relocation accounted for over 50% of the travel. The remainder was divided among information meetings, speeches, presentations, conferences, entitlement travel, special missions, and "other."

The analysis of travel vouchers did not reveal any widespread abuse of travel by Federal employees. However, the review did result in the following conclusions:

- No purpose could be identified for 27% of the trips in the vouchers sampled. This was due largely to the inappropriate use of general travel authorizations that did not require management attention to the purpose and need for trips.
- Most agencies failed to take adequate advantage of available discounts for airlines, hotels, or rental cars. These discounts and other opportunities for travel cost savings were lost largely due to agency inattention to proper travel management practices.
- Complex and obsolete reimbursement policies resulted in excessive administrative costs with no apparent benefit to the Government or the traveler. According to a recent GAO report, cumbersome reimbursement procedures resulted in travel voucher processing costs of $400 million a year. In addition, there were almost $143 million in outstanding travel advances in FY 1980, according to agency estimates.

- Travel cost reduction efforts were hampered by the inability of agencies to collect travel cost data that identify the various types or purposes of travel in a consistent manner and permit routine reviews of agency compliance with directives to reduce travel by type.

Major Recommendations

The following are the principal recommendations resulting from the interagency review. Page references to the full report are cited in the parentheses. There are over sixty additional recommendations for procedural and systems improvements.

1. The principal travel oversight and policy agencies (OMB, DOD, State, GSA, OPM) should take necessary procedural steps to do a more effective job of coordinating their travel management initiatives. This should be done in cooperation with the GAO wherever possible. (p. 21)

2. The travel regulation systems should be standardized to the maximum extent feasible to permit greater ease of use, updating, and consistent treatment of Federal travelers. (p. 24)

3. There needs to be improved collection and use of travel cost data by purpose of travel. (p. 28)

4. The travel authorization process should be tightened, including drastic reductions in the use of general travel authorizations. (p. 32)

5. Agencies should assure the availability of an adequate travel service capacity at headquarters and major field offices and installations. Agencies should make maximum use of commercial travel services, taking advantage of administrative savings possible from reducing the use of Government Transportation Requests (GTRs) and adopting consolidated carrier payment procedures. (pps. 70, 74, 79 and 81)

6. GSA, Defense, and the State Department should continue to work with the travel industry to expand the availability and knowledge of transportation, lodging, and other travel-related discounts for Federal travelers. (p. 54)

7. GSA, the Per Diem Committee, and the State Department should eliminate the costly complexity of current reimbursement policies by adopting a locality-based flat rate per diem method to reimburse subsistence costs for all travel. (p. 88)

8. Agencies should streamline voucher processing by reducing the number of supervisory reviews to a maximum of two and expanding the use of random sampling techniques in voucher examination. (pps. 92 and 93)
9. Agencies should tighten controls over travel advances to accelerate their issuance and reduce the length of time they are outstanding. (pps. 96, 98 and 99)

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

DATA SUMMARIES

Summary of Selected Travel Characteristics(1)

Number of trips	-	16 million
Direct travel expenditures (object class 21)	-	$3,200 million
Number of travel vouchers	-	10 million
Voucher processing costs	-	$400 million
Outstanding travel advances	-	$143 million

Summary of Savings Estimates(2)

	Direct Travel (OC 21) Expenditures	Travel-related Administrative Costs
Require Federal travelers to purchase common carrier tickets through SATOs or travel agents to assure greatest use of GSA contract air service and other discount fares	$116.2 million	
Consolidate carrier payments and reduce the number of GTRs used		$14.8 million
Streamline voucher processing procedures by:		
- adopting a locality-based flat rate per diem policy		46.1 million
- restricting supervisory reviews by two		0.1 million
- examining in full only those vouchers over $500 and examining a random sample of those vouchers under $500		21.7 million
Increase controls over travel advances and reduce the amount of advances outstanding		2.8 million
	$116.2 million	$85.5 million
Total Proposed Estimated Gross Savings(3)	$201.7 million	

Notes: (1) Travel expenditures and advances are for FY 1980; the remaining data are for FY 1979.

(2) Estimates based on FY 1982 budget projections.

(3) Many savings are obtainable at no cost or at nominal costs that can be absorbed as a part of ongoing activities. There also are indeterminate savings from some recommendations that would offset indeterminate costs.

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

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CHAPTER 1

INTRODUCTION - IMPROVING INFORMATION ON GOVERNMENT TRAVEL

There is a general impression that the Federal Government spends too much on travel. This impression is supported by widespread agency inability to respond to Congressional inquiries about why and how often agency employees travel, how much they spend, and by periodic stories of questionable travel practices. These problems have caused an increase in Congressional and Presidential interest over the past several years in reducing travel costs and directing agencies to manage their travel more effectively.

Often lost in the controversy about Federal travel is the fact that travel is an important part of managing and carrying out Government programs. Without travel, the expenditure of billions of dollars of grant funds cannot be monitored to prevent fraud and waste; national parks cannot be adequately patrolled; banks cannot be examined; military troops cannot be moved; and air traffic controllers cannot be sent to training programs designed to maintain their ability to protect an increasing number of airline passengers from disaster. Soldiers and other uniformed personnel comprise the largest group of Federal travelers. Most civilian travel is performed by thousands of inspectors, auditors, bank examiners, law enforcement officials and attorneys who generally travel to unglamorous places.

It is the basic Government program, not the questionable traveler, that suffers from across-the-board cuts in travel expenditures. Because of a general lack of information in the past about travel by Federal employees, it has been impossible to obtain any perspective about the extent to which questionable travel occurs or to target corrective actions.

Project Background

The Interagency Travel Management Improvement Project was undertaken to gain an understanding of how much travel occurs, what purposes it serves, how much is spent for transportation, subsistence and other types of travel expenses, and to develop recommendations for improving travel management and travel practices in the Federal Government. An Executive Committee, chaired by OMB and consisting of senior officials from departments and agencies having a role in travel policy, monitored the progress of the Project. Those departments or agencies represented on the Executive Committee and their basic roles in travel policy are:

General Services Administration (GSA)	- oversees travel by civilian employees

Department of Defense (DOD) - oversees travel by military employees

Department of State (State) - oversees travel by Foreign Service Officers

General Accounting Office (GAO) - interprets travel regulations and audits travel practices

Office of Personnel Management (OPM) - participates in relocation policymaking and has resources to train supervisors in proper travel management practices

A Project staff, headed by GSA and DOD and drawn from seven agencies, worked for ten months to gather and analyze data and prepare issue papers and the final report. The staff gathered information on travel budgeting, accounting, travel management, travel arrangements, voucher processing, advances, and agency-owned or leased aircraft from all executive branch agencies. A random sample of about 13,000 vouchers was obtained from those executive branch agencies with FY 1979 travel expenditures of over $5 million. These vouchers were analyzed to identify various trip and travel cost characteristics. Finally, the staff interviewed travelers, supervisors, and financial management officials in four agencies on travel policies and management practices. Eleven issues were identified and analyzed.

Major Findings

The travel data base assembled from the voucher sample and Travel Management Questionnaire provided a comprehensive picture of Federal travel characteristics, such as how much is spent on travel, by whom, and for what purpose. Also included are trip characteristics on why Federal employees travel, where, how, and when. Analysis of these data, other data on travel management practices and the in-depth agency interviews identified many problems in managing Federal travel.

How Much is Spent on Travel

The Federal Government recorded $2.9 billion for executive branch travel expenditures in FY 1979, the year on which most Project data analyses are based. By FY 1980, travel expenditures had risen to $3.2 billion. These expenditures only include those charged to object class 21 - travel and transportation of persons - as defined in OMB Circular No. A-12; specifically, "Charges incurred for transportation of Government employees or others, their per diem allowance while in an authorized travel status, and other expenses incident to travel that are to be paid by the Government directly or by reimbursing the traveler." The expenditures included in object class 21 do not include travel costs for contractors or grantees, transportation costs incurred by agency-owned aircraft or motor vehicle, or training and conference lodging and meal costs that were improperly charged to other object classes.

Exhibit 1-1 shows the growth in executive branch travel expenditures from FY 1970 through FY 1980 and projects FY 1981 and FY 1982 travel expenditures based on January, 1981, budget estimates. Travel expenditure levels remained almost constant from 1970 through 1975, then grew at an average annual rate of 9% from 1975 through 1980.

Although the travel expenditure amounts grew from 1970 through 1980, travel represented a decreasing percentage of overall program expenditures for this period. Exhibit 1-1 indicates that travel accounted for 0.80% of all program expenditures in 1970 but that this percentage had dropped to 0.39% by 1980.

Exhibits III-2 through III-11 in Appendix III report travel expenditures on a per voucher basis by purpose of trip, mode of transportation and voucher amount.

Who Spends Federal Travel Funds

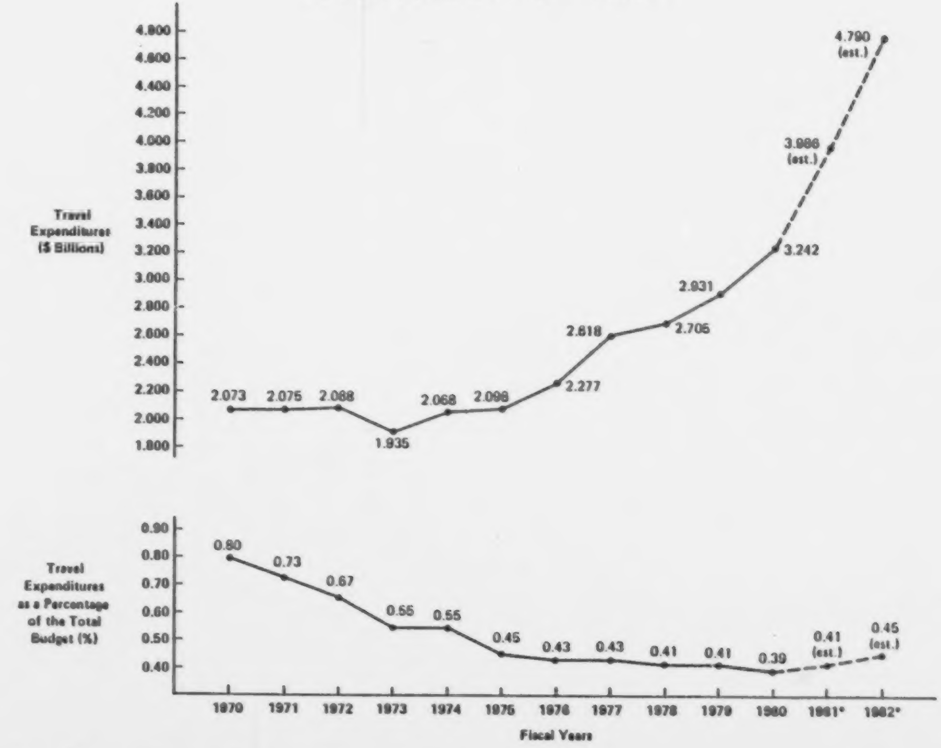
Exhibit 1-2 clearly shows the degree to which the Department of Defense dominates executive branch spending for travel. DOD employs over 73% of the Federal workforce, has extensive travel requirements and spends 63% of the executive branch travel funds. The Department of Agriculture, with 2.3% of Federal employment, has the second highest level of travel expenditures with 4.7% of the total.

Purposes for Which Travel Funds are Spent

Travel funds can be spent for transportation, subsistence and miscellaneous support. Transportation costs include common carrier fares, GSA motor pool and leased automobile charges and reimbursement for using a private automobile. As previously mentioned, charges for use of agency-owned aircraft and motor vehicles are not accounted for as travel expenditures. Commercial rental and limo car charges, although for transportation, are included under "miscellaneous" costs since they are grouped with these costs on the travel vouchers and were not recorded separately in the voucher data base. Subsistence costs are reimbursed on a per diem or actual expense basis and cover the expenses of lodging, meals and related incidental services. In addition to commercial car rental costs, miscellaneous expenses also include phone calls, tolls, meeting room fees and similar support costs.

Exhibit 1-1

Interagency Travel Management Improvement Project
How Much Is Spent on Executive Branch Travel



*Note: These estimates were obtained from the January, 1981 budget projections.

Exhibit 1-2

Interagency Travel Management Improvement Project
Who Spends Federal Travel Funds

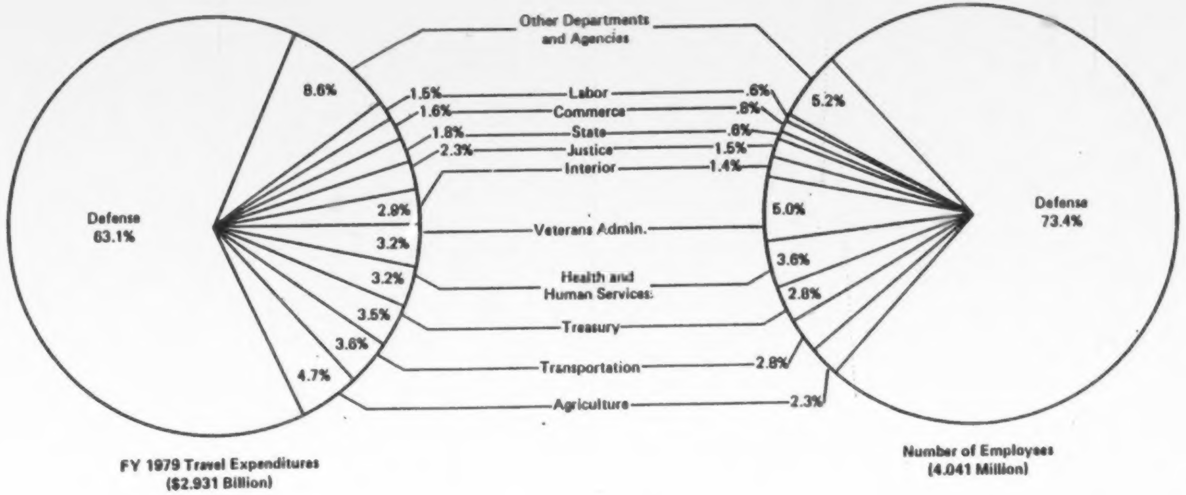


Exhibit 1-3 shows that 46¢ of the average travel dollar is spent for transportation, mostly for commercial air fares. The second largest transportation expense is reimbursement for use of privately owned automobiles. Thirty-nine cents of each travel dollar is spent for lodging, meals and incidental subsistence expenses. Five times more vouchers were submitted for per diem reimbursement than for actual expense reimbursement; therefore, a considerably larger share of subsistence expenses is paid as per diem rather than as actual expense payments. Finally, fifteen cents of each travel dollar is spent on miscellaneous support services.

A complete analysis of agency travel costs by type of expense is included in Appendix III as Exhibit III-1.

Why Federal Employees Travel

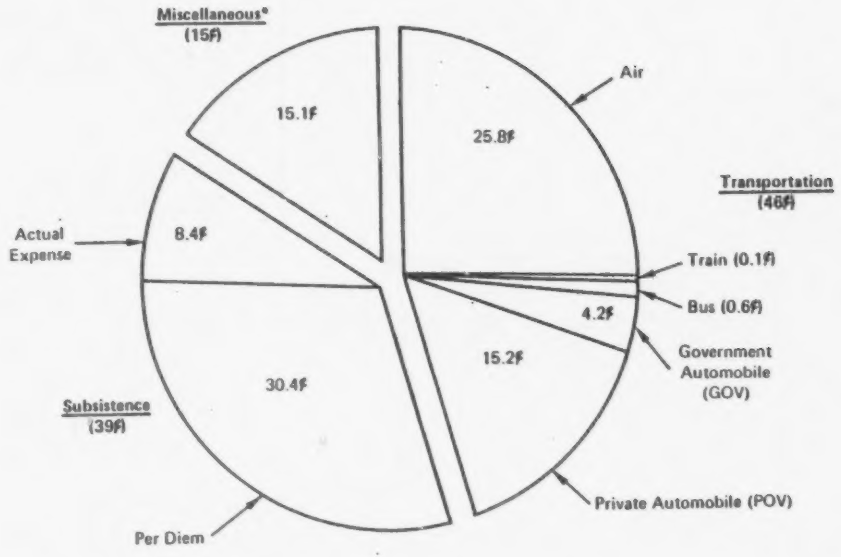
Efforts to improve the management of travel and reduce unnecessary travel costs have always recognized differences in the importance and controllability of various types or purposes of travel. For example, most OMB directives to reduce travel have focused on "administrative" or "non-mission essential" travel as having lower priority than "mission essential" travel. A few directives have exempted certain types of travel; for example, the FY 1981 travel reduction exempts military relocation travel. A recent GAO report suggests that the mandatory, discretionary, administrative and unforeseen aspects of travel be considered in estimating travel expenditure needs.

To assist policy officials in identifying travel according to its importance and controllability, the Project staff defined the following nine standard travel purposes: site visits, information meetings, training attendance, speech or presentation, conference attendance, relocation, entitlement travel, special mission travel and other travel. These standard purposes highlight all the types of travel that have been singled out for attention in past travel reduction directives. Unlike categories such as "administrative" travel or "mandatory" travel, these standard purposes, as defined in Exhibit 2-2, can be applied consistently to all agencies.

We identified the percentages of travel that occur in each of the standard purpose categories from the voucher sample and from agency estimates submitted in the Travel Management Questionnaire. The results are displayed in Exhibit 1-4. Discrepancies between the voucher sample estimates and the agency estimates principally result from an inability to determine the travel purposes from vouchers representing almost 27% of all trips. In most cases, this "undistributed" percentage would be applied to the purposes where the agency estimate exceeds the voucher

Exhibit 1-3

Interagency Travel Management Improvement Project.
How the Federal Travel Dollar Is Spent



*Note: "Miscellaneous" includes taxis, limos, phone calls, tolls and similar expenses.

sample estimate. According to Exhibit 1-4, site visits represent the most frequent reason for Federal travel followed by training and relocation travel.

Although the importance of each travel purpose must be assessed separately in the context of each agency and program, information meetings, speeches or presentations and conferences represent travel purposes that are generally considered more discretionary than site visits or relocation travel. Since the voucher sample estimates represent valid minimum percentage estimates (i.e. at least 26% of all travel was for site visits), agencies have apparently underestimated their level of information meeting travel. Using the voucher sample estimate for information meeting travel and agency estimates for speeches and conferences, it appears that approximately 14% of Federal travel is relatively discretionary.

The agency-by-agency estimates of travel by purpose are presented in Appendix III. Exhibit III-12 presents the estimates from the voucher sample and Exhibit III-13 presents the agency estimates.

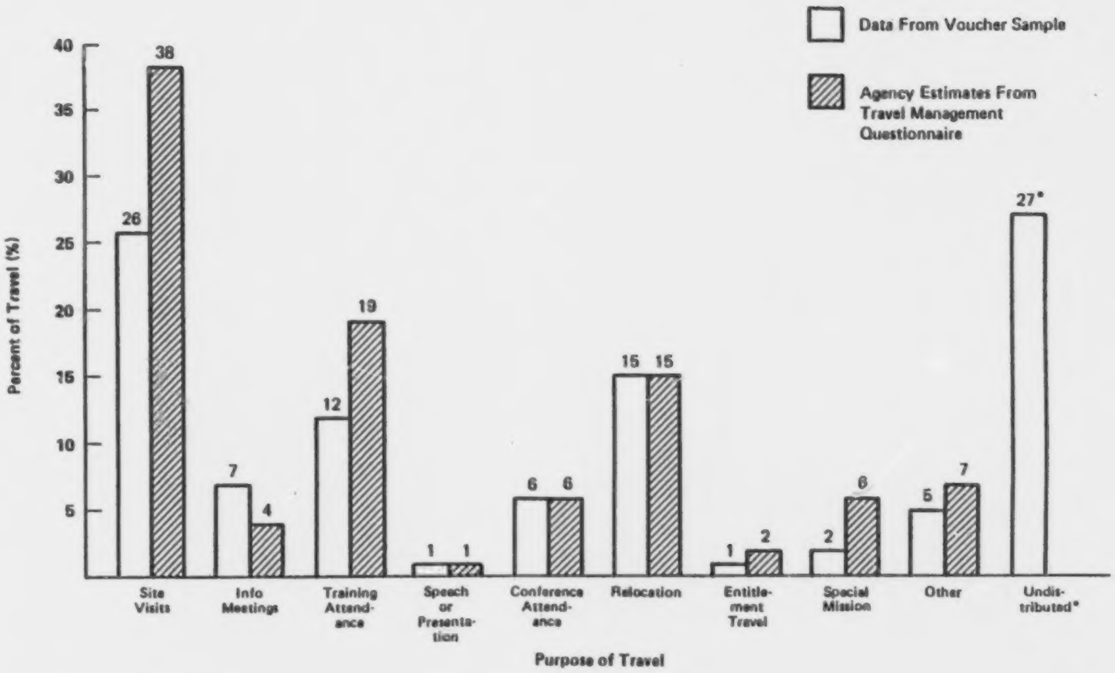
Where Federal Employees Travel

An analysis of the voucher sample results shows that eighty-four percent (84%) of all executive branch travel in FY 1979 took place within the continental United States. Of this U.S. travel, twelve percent (12%) was local, that is, it occurred in the general vicinity of the traveler's workplace and involved no subsistence allowance. The remaining 72% of all travel that occurred in the U.S. represented travel to localities away from the traveler's normal workplace. Travel to Alaska, Hawaii and overseas U.S. possessions accounted for 2% of all executive branch travel; all other overseas travel represented almost 13% of executive branch travel. The location of the travel could not be determined from 2% of the voucher sample.

Government-wide statistics on where Federal employees travel are somewhat misleading, however, since these characteristics vary considerably between civilian, military and foreign service agencies. Exhibit 1-5 displays these differences clearly and shows that only 1.3% of all civilian agency travel was to non-U.S. overseas localities. Almost 93% of civilian agency travel was within the continental United States. Foreign service agency employees, on the other hand, incurred 62% of their travel overseas and only 32% within the continental United States. Military agency travel fell between the extremes set by the other two agency categories. Almost 81% of military agency travel occurred within the continental United States and 16% occurred overseas.

Exhibit 1-4

Interagency Travel Management Improvement Project
Why Federal Employees Travel



*Note: Indentifies those vouchers for which the purpose of travel could not be determined from the documents submitted to the Project. In most cases, this occured when no authorization form was attached because the travel was authorized by an open or blanket travel authorization.

Travel is also very dispersed. The sample of 13,000 travel vouchers indicated trips on around 9000 different routes. Consequently, no single route accounted for even 1% of all traffic. Washington, D. C. was identified as the most frequent travel destination with just over 5% of all trips being made to that city; trips to Washington, D. C. and 13 states account for half of all travel days.

How Federal Employees Travel

Commercial air was the most common mode of transportation used by executive branch travelers in FY 1979 and accounted for 35% of all movements. The second most common means of travel was the private automobile (22%) followed by Government aircraft (14%). Only about 5% of all movements were made by Government automobile. The use of other transportation modes was negligible when viewed on a Government-wide basis.

As was the case with travel locations, use of Government-wide transportation mode statistics masks significant variations among the three different agency categories. These variations are evident on Exhibit 1-6. For example, the high Government-wide percentage of travel via Government aircraft is almost exclusively due to the fact that 35% of all military agency air travel (or 18% of all military travel) occurred with Government planes. Similarly, foreign service agency travelers used trains for 5% of their travel, although trains were used for only 1% of Government-wide movements. Finally, the greatest use of Government automobiles was by the civilian agencies with 11% of their travel versus 3% and 5% for military and foreign service agencies, respectively.

Exhibit III-14 in Appendix III presents an agency-by-agency summary of travel movements by transportation mode.

When Federal Employees Travel

The Project staff compiled an analysis of travel departure dates to determine whether Federal employees tended to begin travel on certain days of the week or months of the year. Exhibit 1-7 displays the percentage distribution of Government-wide travel starts by weekday and shows a preference for beginning trips on Monday. This exhibit also shows a large percentage of trips beginning on weekends. Most of these weekend trips were taken by employees of military agencies. Exhibit 1-8 shows the percentage distribution of travel starts by month and reveals that travel in FY 1979 did not increase significantly at the end of the fiscal year. In fact, monthly travel levels appear to be fairly constant when displayed on a Government-wide basis.

Exhibit 1-5

Interagency Travel Management Improvement Project
Where Federal Employees Travel
(By Type of Agency)

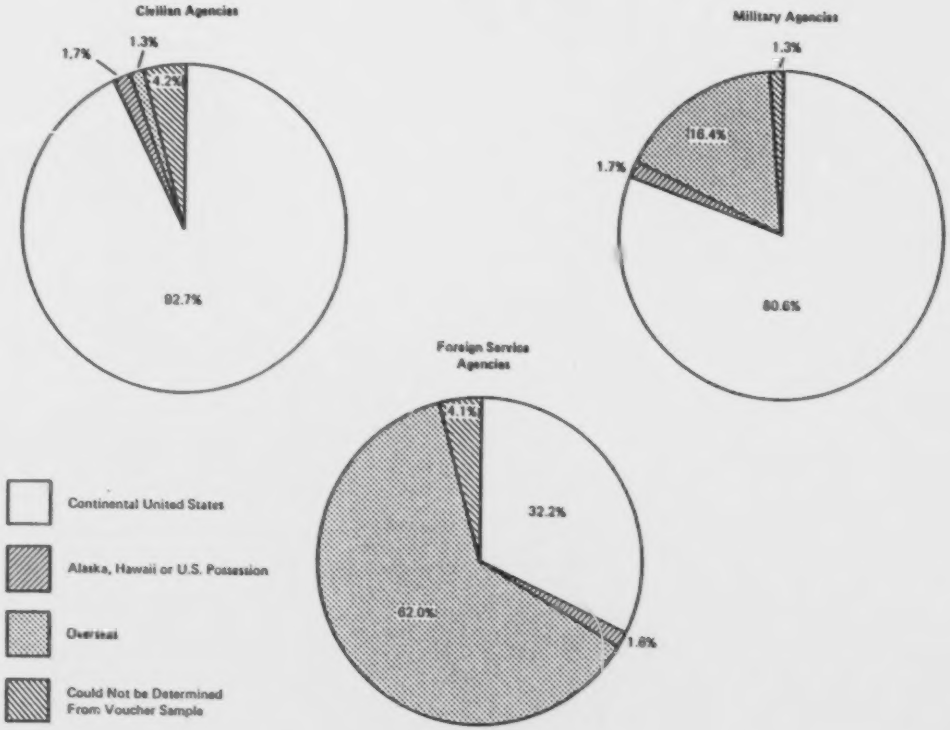
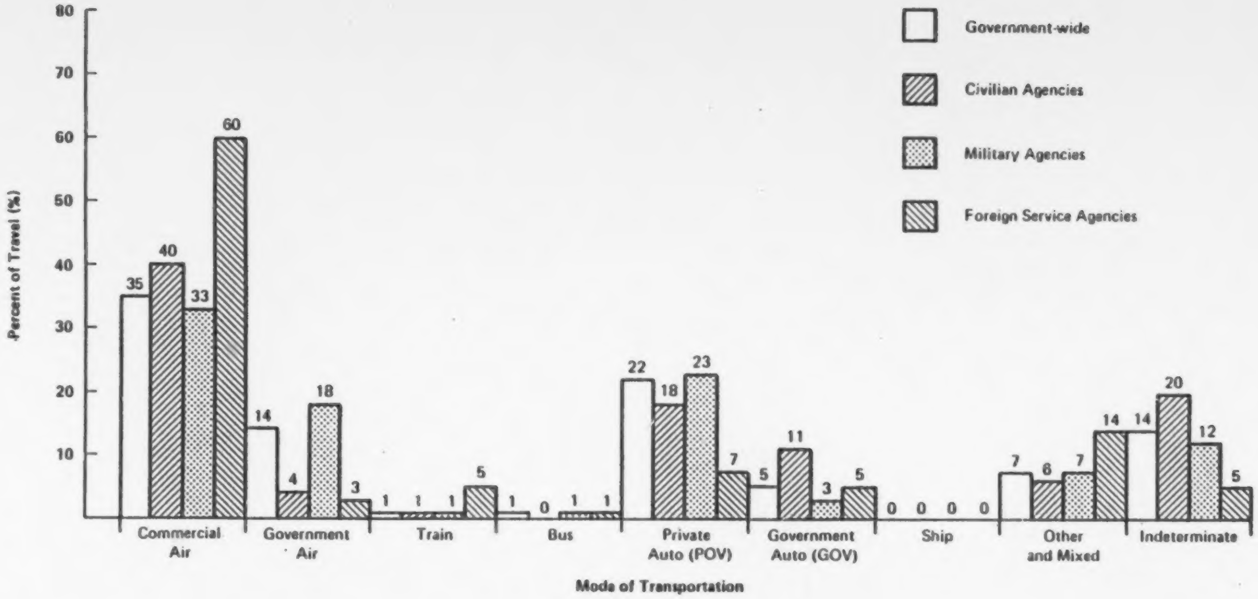


Exhibit 1-6

Interagency Travel Management Improvement Project
How Federal Employees Travel
(By Type of Agency)



We also examined the average duration of trips by days displayed on Exhibit 1-9. This exhibit shows that 50% of all trips are four days or less in duration. Sixty-two percent (62%) of all trips are less than 7 days long. The eleven percent (11%) of trips over 30 days long results mainly from employees on continuous travel who turn their vouchers in monthly and from persons on long-term training assignments.

Problems in Managing Federal Travel

The problems in managing Federal travel identified by this Project are grouped in three areas:

1. Current Government-wide approaches to managing travel are inadequate. There are three systems within the Government that impact travel costs and practices: the budget and management system, the entitlement system and the procurement system. Each of these systems has its own statutory basis and its own set of relationships between the oversight agencies and the other executive branch agencies. The relationships between and within these systems are complex, confusing and often misunderstood. The resulting lack of coordination at the top policy levels impedes efforts to control travel in the Federal Government. A fundamental barrier to overall travel cost reduction efforts has been the inability of agencies to collect information on travel costs that identifies the various types or purposes of travel in a consistent manner and permits routine reviews of agency compliance with directives to reduce certain types of travel.

2. A general lack of control over travel arrangements results in a failure to take advantage of significant opportunities for travel cost savings. Although most agencies have travel offices at their headquarters locations, travel services are rarely provided in field offices where the majority of agency travelers are located. Consequently, most travelers make their own arrangements and, since they are unaware of available discounts and other cost saving opportunities, miss opportunities for substantial cost savings.

Exhibit 1-7

```
                           INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
                                           GOVERNMENT WIDE


                          PERCENTAGE  DISTRIBUTION  OF  TRAVEL  STARTS  BY  WEEKDAY


        ^
        I
SATURDAYIXXXXXXXX
        I       8%
        ^
        I
SUNDAY  IXXXXXXXXXXXXXX
        I      14%
        ^
        I
MONDAY  IXXXXXXXXXXXXXXXXXXXX
        I      20%
        ^
        I
TUESDAY IXXXXXXXXXXXXXXXXX
        I      17%
        ^
        I
WEDNSDAYIXXXXXXXXXXXXXXXXX
        I      17%
        ^
        I
THURSDAYIXXXXXXXXXXXX
        I      12%
        ^
        I
FRIDAY  IXXXXXXXXXXXXX
        I      13%
        I
        I
        ----------------------------------------------------------------------------------------------------------------
                   10%       20%       30%       40%       50%       60%       70%       80%       90%       100%
                                                     X = 1 PER CENT
```

Exhibit 1-8

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

GOVERNMENT WIDE

PERCENTAGE DISTRIBUTION OF TRAVEL STARTS BY MONTH

```
          !
JANUARY   !XXXXXXXXX
          !        9%
          !
FEBRUARY  !XXXXXXXX
          !        8%
          !
MARCH     !XXXXXXX
          !        7%
          !
APRIL     !XXXXXXXX
          !        8%
          !
MAY       !XXXXXXXXXX
          !       10%
          !
JUNE      !XXXXXXX
          !        7%
          !
JULY      !XXXXXXXXX
          !        9%
          !
AUGUST    !XXXXXXXX
          !        8%
          !
SEPTEMBER !XXXXXXXXXX
          !       10%
          !
OCTOBER   !XXXXXXXXXX
          !       10%
          !
NOVEMBER  !XXXXXXXX
          !        8%
          !
DECEMBER  !XXXXXX
          !        6%
          !
          !
          ----------------------------------------------------------------------------------------------------------
                   10%       20%       30%       40%       50%       60%       70%       80%       90%      100%
                                                     X = 1 PER CENT
```

Exhibit 1-9

```
                         INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

                                         GOVERNMENT WIDE

                            DISTRIBUTION OF DURATION OF TRIPS BY DAYS

    DAYS!
        !
     1  !XXXXXXXXXXXXXXXX
     2  !XXXXXXXXXXXXX
     3  !XXXXXXXXXXXX
     4  !XXXXXXXXX
     5  !XXXXXXX
     6  !XXXXX
     7  !XX
     8  !XX
     9  !XX
    10  !X
    11  !X
    12  !XX
    13  !XXX
    14  !X
    15  !XX
    16  !X
    17  !X
    18  !X
    19  !X
    20  !X
    21  !
    22  !
    23  !X
    24  !
    25  !
    26  !X
    27  !X
    28  !X
    29  !X
    30  !X
OVER 30 !XXXXXXXXXXX
        !
        ----------------------------------------------------------------------------------------------------------
                  10%       20%       30%       40%       50%       60%       70%       80%       90%      100%

                                               X = 1 PER CENT
```

3. Complex and obsolete reimbursement policies result in excessive administrative costs with no apparent benefit to either the Government or its travelers. The current lodgings-plus per diem and high rate geographic area reimbursement policies were established to reduce excess subsistence payments. Although we could not determine the extent to which excess payments were actually reduced, the GAO estimates that current reimbursement policies result in voucher processing costs of over $400 million. Excessive supervisory reviews and voucher examinations contribute to these high costs but identify few excess or incorrect payments. Additional unnecessary administrative costs result from lax agency controls over outstanding travel advances.

The next three chapters discuss in greater detail the Project's findings and recommendations in each area. Appendices present the Project methodology, the manner in which savings were estimated, detailed travel data identified and analyzed during the course of the Project and information on Government-owned passenger carrying aircraft.

CHAPTER 2

EFFECTIVE CONTROL OVER TRAVEL COSTS AND MANAGEMENT PRACTICES REQUIRES IMPROVEMENTS AT THE TOP

Over the past six years, there has been great Congressional and Presidential interest in eliminating unnecessary travel costs and strengthening travel management to prevent waste and abuse. Most efforts to reduce travel costs have taken the form of directives to minimize travel costs or across-the-board reductions in the travel expenditure estimates presented in the President's Budget. In two instances, OMB directives have required executive branch department and agency heads to reduce certain types of travel without setting cost reduction targets. The most recent travel reductions have been the Congressionally mandated $500 million reduction in FY 1980 travel and transportation expenditures and the 15% reduction in FY 1981 travel funds ordered by President Reagan. Efforts to strengthen travel management have come principally through OMB Bulletins or other directives from the OMB Director.

This Chapter discusses the need to clarify and coordinate the relationships among and within the agencies making Government-wide travel policies. It also discusses improvements that need to be made in the structures of the various regulations that govern travel practices as well as in travel accounting and cost monitoring procedures. Finally, we present proposals to establish and enforce travel management standards.

Basic Travel Management Responsibilities Within the Government Need Clarification and Coordination

The cost and management of travel within the Federal Government are controlled by a complex set of statutes, organizational responsibilities, policies, regulations, and procedures that are grouped within three separate oversight systems: the budget and management system, the entitlement system, and the procurement system. Each of these systems is established by one or more statutes that define the oversight authorities and assign them to various officials or agencies. Some of these oversight authorities apply to all agencies; some apply to certain agencies; and others apply to certain categories of employees, regardless of agency. Each oversight agency has its own body of directives and regulations to communicate its policies to the affected agencies. Refer to Exhibit 2-1 for a description of the various travel authorities.

Exhibit 2-1

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

Conceptual Relationship of Travel Management Entitlement and Procurement Authorities

Budget and Management

Scope: The type and level of travel required to support program objectives. The funding made available for travel. The purposes for which employees will be permitted to travel and how the approved travel will be performed. Assuring that travel funds are expended in accordance with legal requirements and with agency priorities and policies.

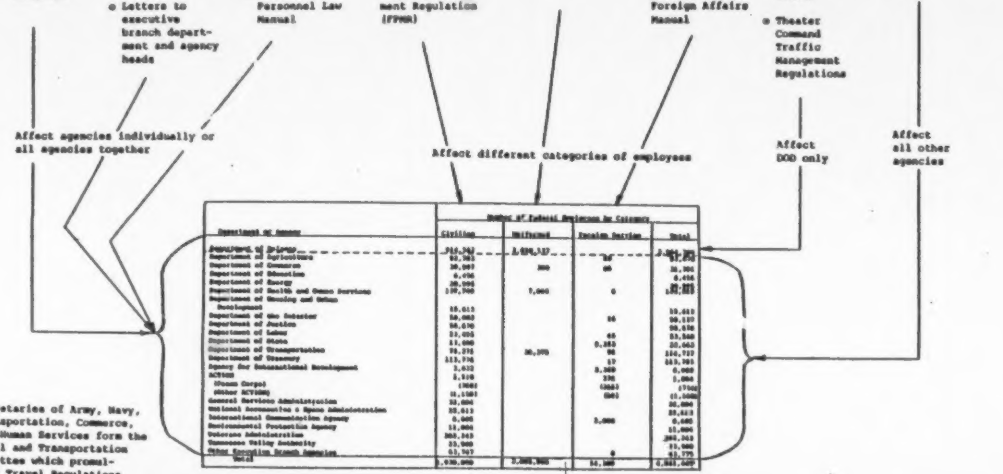
Entitlement

Scope: The goods and services to be provided to Federal employees required to travel on official duty or the reimbursement to which those employees are entitled when they have to obtain those goods and services themselves.

Procurement

Scope: The manner in which goods and services are to be provided for Federal employees in support of their official travel.

Oversight Agencies:	Congress	President	Comptroller General	Administrator of General Services	"Secretaries Concerned"*	Secretary of State	Secretary of Defense	Administrator of General Services
Statutory Basis:				5 U.S.C. 5707	37 U.S.C. 404	22 U.S.C. 1136	40 U.S.C. 481	40 U.S.C. 481
Implementation:	o Appropriations Acts o Report Language	o Executive Orders o OMB Bulletins o Letters to executive branch department and agency heads	o Comptroller General Decisions o Civilian Personnel Law Manual	o Federal Travel Regulation (FTR), published as part of Federal Property Management Regulation (FPMR)	o Joint Travel Regulation (JTR), Vol. 1	o Foreign Service Travel Regulation (FSTR), published as part of the Foreign Affairs Manual	o Military Traffic Management Regulation (MTMR) o Theater Command Traffic Management Regulations	o Federal Property Management Regulation (FPMR)


Affect agencies individually or all agencies together
Affect different categories of employees
Affect DOD only
Affect all other agencies
Department or Agency
Number of Federal Employees by Category
Civilian
Uniformed
Foreign Service
Total
Total

*Note: The Secretaries of Army, Navy, Air Force, Transportation, Commerce, and Health and Human Services form the Per Diem, Travel and Transportation Allowance Committee which promulgates the Joint Travel Regulations.

Clarify and Coordinate Travel Oversight Responsibilities

Of the three travel oversight systems, the entitlement system generates the regulations most commonly considered "travel regulations" and most widely disseminated throughout the Government. The budget and management directives issued by OMB are addressed to department and agency heads but are not always integrated into agency travel regulations or otherwise communicated well internally. The Federal Travel Regulation covering civilian employee travel entitlements is issued as part of the overall procurement regulations promulgated by GSA. In practice, however, the use of procurement system authority to improve travel management appears to be minimal outside the Department of Defense where it is the basis of a very strong travel management program. Finally, occasional agency-initiated efforts to improve travel management through the entitlement and procurement systems are strengthened when reinforced by management directives from the President or OMB.

The distinction between the three travel oversight systems in promoting a particular travel management practice is not always clear, nor need it be in all cases. For example, the GSA initiative to require use of AMTRAK between Washington and New York was issued as a supplement to the Federal Travel Regulation. This requirement applied to all civilian travelers under GSA's entitlement oversight authority. It also applied to non-DOD civilian travelers as well as Foreign Service Officers under GSA's procurement oversight authority. DOD chose to require this use of AMTRAK by its military travelers and promulgated the requirement for AMTRAK use in the Military Traffic Management Regulation which applies to the procurement of transportation for both military and civilian DOD employees. Similar circumstances surrounded the implementation of the GSA discount air service contracts and OMB's restriction on first class air travel.

A problem might arise under the current arrangement of oversight authorities when the oversight agencies do not agree on a certain action. This has not happened as far as we know, but presumably the President or OMB could settle any disagreement that might arise.

> RECOMMENDATION: Success in reforming a management practice depends mainly on the effective dissemination of the desired requirement and its acceptance by the affected parties. Therefore, we recommend that all travel management improvement initiatives, whether originating with OMB, GSA, DOD or the State

Department, be coordinated with all the travel oversight agencies as well as with representatives of affected departments and agencies. Where practical, the desired improvement should be incorporated in the appropriate entitlement and procurement regulations and reinforced by an OMB or Presidential directive.

Clarify and Coordinate Travel Management Responsibilities Within all Departments and Agencies

We found that nearly half the civilian agencies have not assigned any overall responsibility for travel management. Also, we found no agency that fully coordinated its internal travel policies and management activities.

In general, the budget and entitlement aspects of travel management are assigned to agency financial management offices, whereas the procurement of travel services is assigned to an administrative support office with other procurement activities. Similarly, agency relocation and training policies involving travel are often assigned to the personnel office. This assignment of responsibilities recognizes the importance of managing all financial, procurement and personnel support functions as integrated activities. Nevertheless, effective travel management requires that agencies coordinate all management policy and budget decisions affecting travel and that these decisions be disseminated effectively.

RECOMMENDATIONS: We recommend that each department and agency assign the following responsibilities for coordinating and disseminating internal travel management policies to an appropriate headquarters policy-level office:

- Receiving all Government-wide guidance pertaining to the management, entitlement and procurement aspects of travel and assuring that such guidance is incorporated in the appropriate internal agency policy and procedure manuals or otherwise disseminated to agency field offices and travelers.

- Participating in the budget development process to assure that sufficient travel planning has been done by each program manager, that travel expenditure estimates in total and by purpose of travel are related to program travel requirements, that increases in reimbursement allowances and inflation have been considered, and that telecommunications has been adequately considered and funded as a travel alternative.

- Receiving and analyzing all financial and management reports dealing with travel and advising top management on policy and procedural changes as needed.

- Reviewing all internally generated policy and procedural changes dealing with travel to assure that the impacts these changes have on administrative costs as well as on travel costs have been considered.

We also recommend that all agencies direct each of their field offices and installations to assign someone to be responsible for maintaining the travel policy manual distributed by headquarters and for assuring that all travelers from the office or installation are informed of policy changes.

The Travel Oversight Agencies Should Revise and Simplify Travel Entitlement Policies and Travel Management Regulations

As shown on Exhibit 2-1, there are three major Government Travel Regulations covering the entitlements of Government employees (military and civilian), each promulgated by a separate agency or group of agencies. The Federal Travel Regulation (FTR), issued by GSA, is the basic travel entitlement policy for civilian employees of the United States. The Joint Travel Regulation (JTR), Volume 1, issued by the Per Diem Committee under DOD's leadership, provides the basic travel entitlement regulations for all uniformed employees. The Uniform State/AID/USIA Foreign Services Travel Regulation issued by the State Department provides the basic travel entitlement regulations for members of the Foreign Service.

Travel procurement regulations covering all agencies except DOD are issued by GSA along with civilian entitlement policies as part of the Federal Travel Regulation. DOD publishes its own travel procurement policies as part of the Military Traffic Management Regulation (MTMR). Because the entitlement regulations are based on different statutes, each takes a somewhat different approach to the basic entitlements and the circumstances under which they are allowed. Notwithstanding the statutory differences, the three entitlement regulations are unnecessarily out-of-date, complex and incompatible in format and level of detail. This causes difficulties for agencies that have to administer the travel of employees covered by different entitlements. Since effective dissemination of travel policy is a key to improving travel management Government-wide, high priority should be given to improving the clarity and usefulness of the basic travel regulations.

Rewrite GSA, Per Diem Committee, and State Department Travel Regulations into a Consistent Format

The Project staff carefully reviewed these regulations as well as the statutes which authorize them, and concluded that they would all benefit from revision. They are hard to read, confusing, inconsistent and disjointed. In particular, the GSA Federal Travel Regulation is almost useless as a policy manual since so many of its provisions have been superseded by regulations published separately as Temporary Regulations and never issued as changes to the basic policy manual.

In addition to GSA's issuance of the Federal Travel Regulation, most civilian agencies issue travel regulations of their own, which provide interpretation of various provisions of the overall regulations. Others provide additional requirements or state policies unique to the specific agency. Civilian agencies are forced to issue their own travel regulations since the GSA Federal Travel Regulation is so out-of-date and complex. Agency-specific directives and information are needed, but the use of a fully duplicative regulation at the agency level is very costly since every change made to the overall regulation causes a cascade of changes to the numerous agency regulations. The problem is further compounded by the promulgation of additional sets of separate regulations by many large sub-agency organizations and major field offices.

> RECOMMENDATIONS: To clarify the present system of regulation, we recommend that a common user U.S. Government Travel Regulation be established. The overall regulation manual would be made up of three separate regulations issued by the General Services Administration, the Per Diem Committee, and the State Department, respectively. We recommend that representatives of these three groups be convened by OMB to develop a common format and table of contents for the three volumes, but the specific policies may differ according to the judgements of the issuing agencies. The resulting regulations would allow agency managers to look in one place for travel entitlement information. The separation into three parts would maintain the independence

of the oversight agencies and would allow continued attention to the special requirements of travelers in the uniformed services and the Foreign Service.

We also recommend that agencies be permitted to supplement the applicable overall regulation manuals only in certain specified areas with agency and office-specific guidelines and instructive materials. The format of the overall regulation manuals should permit direct insertion of these materials as separate pages. In addition, we recommend that when General Accounting Office decisions and interpretations of travel policy are issued, they be put in a format that would permit incorporation into the overall regulation manual. Taken together, these recommendations would eliminate the publication of literally thousands of pages of duplicative internal department and agency travel regulations, principally among the civilian agencies.

Strengthen the Travel Management Aspects of the GSA and State Department Travel Regulations

Operating under its own procurement authority, the Department of Defense has promulgated a well developed system of travel management policies through the Military Traffic Management Regulation (MTMR). These policies apply to all Department of Defense personnel and require the use of standard techniques for scheduling and arranging travel in the most cost-effective manner. Current regulations concerning civilian and Foreign Service Officer travel are mainly concerned with describing and interpreting entitlements and provide little travel management policy or information.

RECOMMENDATION: We recommend that GSA use DOD's Military Traffic Management Regulation as a model for the travel procurement and management regulations that it is responsible for promulgating.

Develop Uniform Process for Maintaining And Updating Overall Travel Regulations

As mentioned previously, GSA normally updates the Federal Travel Regulation (FTR) by issuing changes in the form of Temporary Regulations rather than as changes to the basic FTR. We also observed that these changes are rarely reviewed by the affected agencies before they are issued. Agency comments are received only during the review period following publication of the Temporary Regulations in the Federal Register. We believe that this updating approach has been a major reason why agencies have rewritten and reissued their own travel regulations for civilian employees.

Under the approach currently used by the Per Diem Committee and the State Department, proposed changes in policy are first reviewed by all affected agencies. Based on their comments, the proposed changes are issued first as bulletins and then as page changes to the affected sections of the policy manuals. This permits rapid policy changes and also keeps the policy manuals up-to-date for all users. These regulation issuing and updating practices assure that the concerns of affected agencies are considered and necessary adjustments made before the new regulations are issued. Consequently, the Foreign Service Travel Regulation and the Joint Travel Regulation, Volume 1, are published as coordinated policy documents which do not require agency modification before implementation.

> RECOMMENDATION: We recommend that representatives of the General Services Administration, the Department of State and the Per Diem Committee develop a uniform system of updating the travel regulations and implement it upon issuance of the revised regulation manual. This system should be based on the approach already used by the Per Diem Committee and the State Department.

OMB Should Provide Management Guidance to Agencies on Maintenance of Data Needed to Conduct Cost Reduction Efforts and Identify Travel Priorities

The program budget system used by Congress and the President in their attempts to reduce travel expenditures was never designed to control expenses at the object class level. Under program budgeting, the emphasis at the Presidential and Congressional level is on the allocation of funds and monitoring of expenditures by agency or program. Program budgeting assumes that agency and program managers are responsible for the allocation and management of program funds by object class at the operational level.

Congressional and Presidential budgetary actions aimed at specific types of expenses like travel, furniture and consultants, are supposed to increase department and agency head attention to improving the management of those activities.

We believe that other approaches, such as the enforcement of "management standards" recommended later in this Chapter, will be more effective than budgetary actions in improving actual management practices. We also share the concerns expressed in the December 24, 1980, GAO report on "Proposals for Improving the Management of Federal Travel":

> "We want to add a word of caution, also mentioned in our 1977 reports, about imposing unrealistic limitations on the use of program funds for one particular purpose, such as travel. Program managers will comply with arbitrary limits because they have to; however, they are also responsible for meeting their program objectives and may thus use other methods that require less travel but are also less satisfactory....In the long run this could cost more, and it might not give managers the same insights and firsthand experience that can make them better informed and more effective in carrying out their responsibilities. We would prefer to have OMB, other Government agencies, and the Congress focus on desirable program levels through the executive and legislative budget processes. This is better than their focusing on one program aspect, such as travel, completely out of the context of program objectives."

Agency interviews indicated that the travel estimates submitted for the President's Budget are not based on travel requirements developed at the operational levels where the greatest awareness of travel needs exists. The inaccuracy of these amounts is confirmed in GAO reports and by an agency's effort to correct object class estimates when these estimates were used to set specific cost reduction targets.

Ideally, travel costs should be recorded in ways that permit managers to plan and evaluate their travel according to its contribution to mission performance. Similarly, the ideal way to apportion reductions in travel expenditures, among as well as within agencies, would be on the basis of the amount of agency travel that does not contribute directly to mission performance.

Most agencies have defined their own travel categories at the subobject class level to distinguish between various types and purposes of travel expenditures in their accounting systems. Three GAO travel audits since 1977 have recommended that standard travel categories be defined to improve Government-wide efforts to identify and reduce unnecessary travel. In its Bulletin No. 78-13, OMB reminded agencies that they can use travel subobjects to improve their management and control of travel. OMB has in the past had serious reservations about efforts to standardize travel category definitions, at least partly out of a concern that such an action would restrict necessary agency flexibility to manage a variety of program-related travel requirements.

Because there is insufficient information to target travel expenditure reductions on agencies with high levels of "administrative" or non-mission related travel, these reductions are made across-the-board. The across-the-board approach results in the following problems:

- Agencies whose travel estimates are sufficiently higher than their actual travel needs are able to absorb more across-the board cuts without much pressure to restrict unnecessary travel or improve travel management practices.

- Agencies whose travel estimates are accurate or too low are the only ones hurt by an across-the-board cut. They must appeal the cuts, reprogram funds, seek supplemental appropriations or shift travel costs to other object classes to carry out their missions properly. Once an agency has been threatened by an across-the-board cut, it is motivated to estimate its future travel requirements more generously.

RECOMMENDATIONS: In order to assure that agencies plan, monitor, and control travel expenditures at a meaningful level of detail for management decisionmaking and to respond to Presidential and Congressional cost reduction efforts in a rational way, we recommend that:

- OMB, in consultation with all agencies, periodically issue and update management guidance on the maintenance of travel cost information that corresponds to the purposes of travel. Exhibit 2-2 lists the definitions used by the Project to analyze travel by purpose. The standard travel category definitions are illustrative and should apply in most instances. Agencies should subdivide the standard travel categories further if needed for their own internal management purposes. For example, the State Department might

Exhibit 2-2

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

Illustrative Travel Purpose Categories

Purpose Category	Definition
Site visit	Visit to a particular site in order to personally perform operational or managerial activities; e.g., oversee programs, grant operations, or management activities for internal control purposes; carry out an audit, inspection, or repair activity; conduct negotiations; provide instructions; provide technical assistance.
Information meeting	Attend a meeting to discuss general Agency operations, review status reports or discuss topics of general interest. If a site visit was conducted as part of the same trip, consider the entire trip to be Site Visit.
Training attendance	To receive training.
Speech or Presentation	To make a speech or a presentation, deliver a paper, or otherwise take part in a formal program other than a training course.
Conference attendance	To attend a conference, convention, seminar or symposium for purposes of observation or education only with no formal role in the proceedings.
Relocation	To move from one official duty station to another (same as a Permanent Change of Station or PCS move).
Entitlement travel	Travel to which an employee (or dependent) is entitled as a result of an assignment; e.g., official vacation or home leave; medical, emergency, and education travel.
Special mission travel	To carry out a special Agency mission; e.g., non-combat military unit movements; provide security to a person or a shipment (such as a diplomatic pouch); move witnesses from residence to other locations; cover travel by Federal beneficiaries and other non-employees.
Other travel	To travel for reasons (purposes) which are not shown in one of the other eight (8) categories.

want to subdivide "entitlement" travel into home leave, medical travel or educational travel. Agencies should subdivide the travel categories in any way they wish as long as they are able to summarize their travel costs according to meaningful standard categories related to mission and subject to the assignment of priorities when resource decisions are made. We believe that this approach preserves agency flexibility, yet provides consistent information on Government-wide travel costs to guide and monitor future travel reduction efforts. Most agencies already have the ability to account for travel expenditures at the subobject class level. Minimizing implementation costs in the other agencies will depend upon avoiding unduly complex accounting systems.

- Travel estimates developed at program operational levels be broken down into the recommended standard travel categories and justified within the agencies according to their contributions to mission accomplishment.

- Agency budget offices review the program level travel requests and use them as a primary basis for the overall travel estimates submitted to OMB.

- When there is a Presidential or Congressional travel cost reduction effort or redirection of emphasis on travel priorities, the travel cost data monitored by the agencies should be used by OMB management officials in support of the Presidential and/or Congressional effort.

Preventing Unnecessary and Inefficient Travel Requires Systematic Attention

Most of the previous recommendations have been concerned with improving methods to manage travel on a Government-wide basis. Although these recommendations are necessary to gain control over overall travel costs, those costs are a direct result of millions of individual decisions made by Federal employees and their supervisors about which trips are necessary and how they can be made most cost-effectively. Preventing unnecessary and inefficient travel requires systematic attention to these decisions by strengthening travel authorization policies and procedures and making supervisors more aware of cost-effective approaches to travel. In addition, current efforts to prevent fraud and abuse should be expanded to include travel practices.

Strengthen Travel Authorization Policies and Procedures

The most fundamental decision affecting the magnitude of travel expenditures is the decision to travel. Once a trip has been approved, certain basic costs will be incurred although Chapter 3 suggests ways to minimize these costs. Since virtually all Federal programs require some level of travel, the first step in assuring that the amount of travel and the resulting basic costs are held to the level necessary is improving the way in which travel is authorized.

Travel authorization procedures and policies vary widely from agency to agency. In some agencies, we found whole organizations covered by general authorizations which permit virtually unrestricted travel. In other agencies, individual trip-by-trip authorizations were used exclusively. There are four types of travel authorization systems which, in different forms and combinations, cover all agencies.

a. Trip-by-Trip Authorization - This system requires a specific written authorization for each trip. While the forms vary, and the approval levels differ widely, this system is used to some extent in the greatest number of agencies.

b. Unlimited Open Authorization - Under this system, an employee is given a written authorization, also called a "blanket" or "standing" authorization, to travel anywhere for official business. It is generally renewed at given intervals, often quarterly. In some agencies, no renewal is required. This system most often applies to high level officials and is used in most agencies.

c. Limited Open Authorization - This system is similar to an unlimited open authorization with one or more limitations as to its use. As an example, the written authorization form might limit the traveler to visits in a specific state during a specific period. Other limitations could include money and purpose of the visit. This system is widely used by agencies which have employees, such as bank examiners or inspectors, who constantly travel to the same places as a routine part of their job.

d. General Authorization - This system does not use a specific written authorization for each employee. Instead, an order or regulation is published by the department or agency which covers a group of employees. Travel is undertaken at the initiative of the traveler, sometimes on the verbal instruction of the supervisor, with no other authorization required. This system is used by agencies which have employees in a more or less constant state of travel. The Departments of Agriculture and Housing and Urban Development, for example, use single General Authorizations to cover most of their subordinate agencies.

Information from the Travel Management Questionnaire and the GAO report "Proposals for Improving the Management of Federal Travel" shows a wide divergence of travel authorization policies and procedures among agencies. Many agencies have elevated approval of travel to levels where the approving officials have no real way of knowing the impact or reasonableness of a specific trip. The other extreme identified by the GAO involves verbal approval of travel by low level supervisors who have little knowledge of the overall program travel priorities.

We found a wide variation in the format of and information provided on travel authorization forms. In many cases, the purpose of the requested travel is "to conduct official business" or something similarly vague. Without more specific information on the purpose of the travel, an approving official would be unable to evaluate its importance or to assure that the trip taken corresponded to the trip approved.

RECOMMENDATIONS: To strengthen the travel authorization process, we recommend that the following policies and procedures be adopted:

- The use of general travel authorizations for entire agencies or groups of employees should be discontinued. Each employee who travels should obtain a written document specifying clearly the purpose and other key characteristics of the travel that is being authorized.

- Employees who travel frequently within a given area to perform repetitive types of tasks should receive a limited open authorization for that travel. The open travel authorization is a useful and economical tool when it is applied to employees who travel often. Most people in this situation are doing mundane, repetitive travel and it simply is not practical or cost-effective to prepare a separate authorization each time the employee travels. These limited open authorizations should be written, valid for no more than 90 days, and contain realistic limitations on the purpose or purposes, the geographic area, the trip duration and maximum trip cost of the travel being authorized. Travel to an area or for a purpose not covered by the limited open authorization should be authorized separately on a trip-by-trip basis.

- Use of unlimited open authorizations should be permitted only for department heads, agency heads, and managers of major subunits where no immediate supervisor is present. It is not practical for department and agency heads and certain senior officials to receive written authorizations each time they must travel. They are responsible for determining the importance of their travel and for clearing it with their superiors, when necessary.

- Certain types of travel should be authorized on a trip-by-trip basis. Because of the high degree of interest in controlling conference and training travel, all such travel should be authorized on a trip-by-trip basis. Because of the relatively high costs involved, all entitlement and relocation travel should also be authorized separately. For relocation, one authorization covering all trips associated with the move is adequate. Depending on the importance, frequency and cost of various types of travel, different agencies might want to require trip-by-trip authorizations for other travel as well. For example, some agencies might require all information meeting trips to be individually authorized. Finally, all travel not covered by an open authorization would have to be authorized on a trip-by-trip basis.

- Approval of travel should be delegated to the lowest appropriate management or supervisory level. To make a rational decision on the need for a specific trip, the officials who approve travel authorizations must be close enough to the travelers to have specific knowledge of what needs to be accomplished and also be high enough in the organization to have knowledge of the relationship between the expenditure of travel funds and program priorities. After consideration, we believe that, in general, travel approval levels are too high in most agencies. We believe that substantial paperwork in the form of justification memoranda could be eliminated by the decision to place approval of travel at the lowest management level which has responsibility for both program accomplishments and utilization of funds.

  Authorizations for certain types of travel, particularly international travel, relocation travel and entitlement travel usually require an additional review by higher level approval authorities because of the expense involved or the need for policy level attention. We recommend that these special approvals be extended to cover conference travel and other types of "administrative" travel. In the case of conference travel, the final approval authority should be assigned to someone in a position to review conference travel requests from all employees in a unit or office to assure that the number of agency attendees is kept to the minimum necessary.

- All travel authorizations should clearly state the purpose or purposes for the travel being approved. "Conduct of official business" or similar statements should be eliminated in all instances. The level of detail needed in the description of the purpose of travel is something which varies from agency to agency

> but, at a minimum, it is necessary to associate the purpose on the authorization form with the standard purpose categories developed for Government-wide travel cost reporting purposes.

Increase Supervisor Awareness of Travel Management Techniques and Cost Saving Opportunities

Our interviews with supervisors and travelers revealed a lack of training in the management of travel. This is especially troubling since so many supervisors are involved in recommending or approving travel for subordinate employees. As pointed out earlier, the decision to authorize a trip commits the Government to a travel cost that could be avoided if a travel alternative were used or an unnecessary trip simply denied. Also, many of the opportunities to reduce the cost of approved travel rely on careful trip planning and on taking advantage of cost saving opportunities that may not be widely known. Because few supervisors are trained in this area, trips are needlessly approved and cost saving opportunities ignored.

> RECOMMENDATION: Since the persons who approve travel, generally first-line supervisors, have the greatest impact on eliminating unnecessary travel and on assuring that necessary trips are made cost-effectively, they should be trained in travel management techniques such as planning trips and making travel arrangements to minimize costs, using teleconferencing as a travel alternative, and reviewing travel vouchers for questionable travel. To effect this training Government-wide, we recommend that the Office of Personnel Management include these topics in its recommendations to agencies on their managerial and supervisory training programs.

Strengthen Methods of Preventing Travel Fraud and Abuse

Much of the criticism of Federal travel management is based on stories of abuses. Some of these stories may indeed be based on fact, but they give a distorted view of the actions of most Federal travelers. Our review of travel vouchers did not support the stereotype of travel being frequently misused by Federal travelers.

Most examples of travel abuse that surface in the press and in Congressional hearings would have been prevented by adherence to existing travel policies and procedures. Implementation of the previous recommendations to strengthen travel authorization policies and procedures should help reduce unnecessary travel. Similarly, the recommendations in Chapter 4 to simplify and improve the fairness of travel reimbursement policies will reduce the opportunities and incentives for excessive travel claims. The recommendation, also in Chapter 4, to streamline the voucher review process will assure that travel is performed as authorized. Unfortunately, these recommendations, even if implemented, are not sufficient to assure that no abuses will occur. Supervisors may make honest mistakes or be lax in preventing questionable travel practices.

> RECOMMENDATION: To increase the protection against lapses in the enforcement of travel policies and regulations, we recommend that agency Inspectors General and internal audit staffs be requested to include the detailed examination of travel accounting and control systems as part of their routine investigations and financial system audits.

GSA Should Establish Travel Management Standards and Monitor Adherence to Them

Implementation of the Project staff's recommendations to improve the means by which travel management policies are communicated to and throughout the departments and agencies is an important element in improving travel management Government-wide. Equally important, however, is assuring that these policies are actually followed. To some extent, assessments of agency compliance with management policy directives are performed by the General Accounting Office (GAO), agency Inspectors General and agency internal audit staffs as part of their periodic reviews of agency travel practices. Although these reviews judge agency travel practices using an implicit set of assessment criteria, there has been no effort to formalize these criteria and apply them consistently or regularly to all agencies.

Recent Congressional interest in improving travel management has given an impetus to the development of travel management standards that can be used as the basis for identifying inefficient travel and travel management practices in the executive branch. P.L. 96-346, which increased per diem and mileage rates in 1980, also contained a requirement that GSA report to Congress certain travel data and identify by agency "travel practices which appear to be inefficient from a travel management or program management standpoint ... ." GSA was required to report this information for three consecutive years, beginning with Fiscal Year 1979.

Based on a GSA request for assistance, the Project staff included "Criteria for Assessing Agency Travel Management Practices" among the eleven issues on which a detailed analysis was performed.

Establish Travel Management Standards That Can Be Applied Government-wide

We reviewed all of the GAO audits dealing with travel over the past several years. We also reviewed several assessments of agency travel practices prepared by Congressional investigative staffs, agency Inspectors General, and agency internal auditors. Although many of these reports examined different aspects of travel management in the agencies studied, when viewed together, they are consistent in their identification of good and bad travel management practices. We also identified certain agencies which had developed significant improvements in managing travel. Based on all of these inputs, we identified six principles of proper travel management within the Government:

1. Agencies should manage their travel in accordance with Government-wide travel management directives and budget guidelines.
2. Agencies should have budget and accounting systems that promote the accurate estimation and effective monitoring of travel expenditures.
3. Agencies should assure that Government-wide and agency travel management policies are communicated effectively.
4. Agencies should assist their travelers in obtaining transportation, lodging and other travel services in the most cost-effective manner possible.
5. Agencies should pay their travel obligations to travelers, carriers and other travel service providers in a cost-effective and timely manner, consistent with good cash management principles.
6. Agencies should minimize the administrative costs of voucher processing.

To the extent that these principles are generally accepted as desirable by key departments and agencies, they can be considered the standards by which travel management practices should be judged in the future. These standards can then be used by agency officials to manage their own travel as well as by the GAO, agency Inspectors General and agency internal audit staffs as the basis of their periodic travel reviews. These standards can also be the basis on which ineffective travel management practices are identified and reported to Congress by GSA.

> RECOMMENDATIONS: Since the key to finalizing a set of travel management standards is its acceptance by the affected agencies, we recommend that GSA take the following actions:

- Based on agency reaction to the recommendations contained in this report, prepare a set of travel management standards that corresponds to the final Project recommendations.
- Circulate the proposed standards to the relevant Congressional committees, the GAO, agency Inspectors General, agency internal audit staffs and the other three travel oversight agencies for review and approval.
- Publish the approved standards as part of the overall travel management regulations and include them in the audit work plans used by GAO, agency Inspectors General and agency internal auditors.

Develop an Assessment Process Built upon Existing Expertise and Resources

Because of the requirement in P.L. 96-346 to report ineffective agency travel management practices, GSA bears the legal responsibility to assess those agency practices. Unfortunately, GSA does not presently have the staff or expertise to carry out a detailed assessment of all agencies' travel management practices. Exhibit 2-3 summarizes the travel management standards implicit in this report and suggests criteria and other requirements for assessing agency practices against those standards. As indicated by this exhibit, the GSA should be able to obtain much of the assessment data from the agencies through a questionnaire. For certain standards as shown in Exhibit 2-3, however, the GAO, agency Inspectors General and agency internal auditors are the most appropriate groups for performing the assessments as well as verifying certain information submitted by the agencies to GSA.

RECOMMENDATION: In order to obtain the necessary cooperation and coordination in this assessment process, we recommend that GSA meet with the GAO, agency Inspectors General and agency internal audit staff directors to develop an overall travel management assessment strategy. This strategy would identify those activities that would be examined each year as part of the required assessment process and those that could be scheduled as part of the periodic assessments performed by the GAO and the agency investigative and audit groups.

Exhibit 2-3
Page 1 of 6

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

Summary of Travel Management Standards and Related Assessment Requirements

Travel Management Standards	Assessment Measures	Assessed By	Assessment Instruments
1. Agencies should manage their travel in accordance with government-wide travel management directives and budget guidelines, by:			
- assuring that agency travel guidelines and practices conform to government-wide travel management policies;	Conformity of agency travel guidelines and practices to government-wide policies.	GAO, IGs and internal auditors.	Comparison of written agency travel guidelines and practices to government-wide policies.
- managing travel expenditures within the estimates developed through the budget process;	Relationship of actual travel expenditures to final appropriation and internal allotment amounts.	GAO, IGs and internal auditors.	Comparison of actual travel expenditures to final appropriations and internal allotment amounts.
- including travel audit steps in agency Inspector General and internal audit work plans; and	Presence of travel audit steps in agency Inspector General and internal audit work plans.	GSA	Questionnaire response containing copies of appropriate audit work plan pages.
- providing travel management reports to appropriate agency supervisory and management levels.	Availability, content, frequency and distribution of travel management reports.	GSA	Questionnaire response containing copies of appropriate travel management reports and related information.
2. Agencies should have budget and accounting systems that promote the accurate estimation and effective monitoring of travel expenditures, by:			
- developing travel budget estimates at the agency or program operational level based on detailed travel plans to support program mission accomplishment	An internal procedure for developing travel budget estimates based on travel plans to support program missions.	GAO, IGs or internal auditors.	Review of budget development documentation at agency or program operating levels.

Exhibit 2-3 cont.
Page 2 of 6

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

Summary of Travel Management Standards and Related Assessment Requirements

Travel Management Standards	Assessment Measures	Assessed By	Assessment Instruments
2. cont.			
- using the estimates developed at the agency or program operational level as the primary basis for agency travel requests; and	An internal procedure that uses estimates by subordinate units in developing travel estimates in President's Budget submission.	GAO, IGs or internal auditors.	Review of budget preparation work sheets used by department and agency budget offices to prepare President's Budget submission.
- recording actual travel expenditures accurately according to standard purpose categories developed for reporting when needed to Congress and OMB and according to any other categories deemed useful to agency management.	Conformity of agency travel sub-object class definitions with standard level category definitions by purpose of travel.	GSA	Copy of agency sub-object class definitions for travel as part of a questionable response.
Agencies should assure that government-wide and agency travel management policies are communicated effectively, by:			
- identifying clearly an office or person responsible for travel management policies and procedures at the headquarters level and in all major field offices and installations; and	Name and titles of persons responsible for travel management at the headquarters level and in all major field locations.	GSA	Questionnaire response listing names and locations of persons with travel management responsibility in agency.
- including travel plannning, arrangements, alternatives and general travel management in training courses provided to managers and supervisors.	Presence of travel-related topics and training materials in manager and supervisory training course materials.	GSA	Questionnaire response containing copies of agency training materials showing travel-related topics.
		OPM, GAO, IGs and internal auditors.	Review of agency manager and supervisor course materials; interviews with manager and supervisor course graduates.

Exhibit 2-3 cont.
Page 3 of 6

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

Summary of Travel Management Standards and Related Assessment Requirements

Travel Management Standards	Assessment Measures	Assessed By	Assessment Instruments
4. Agencies should assist their travelers in obtaining transportation, lodging and other travel services in the most cost effective manner possible, by:			
- establishing or designating agency or commercial travel offices to make travel arrangements for their travelers and requiring their travelers to use such travel offices;	Percentage of agency offices that have access to an agency or commercial travel office.	GSA	Questionnaire response listing agency offices and agency or commercial travel offices that serve them.
	Percentage of agency travelers that make transportation and lodging reservations and obtain transportation tickets through agency or commercial travel offices.	GSA	Questionnaire response based on internal agency management reports, if available.
		GAO, IGs or internal auditors.	Review of actual agency practices in making travel arrangements.
- taking maximum advantage of available transportation and lodging discounts;	Percentage of available transportation and lodging discounts taken.	GSA	Questionnaire response based on internal agency management reports, if available.
		GAO, IGs or internal auditors.	Review of actual agency records.

Exhibit 2-3 cont.
Page 4 of 6

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

Summary of Travel Management Standards and Related Assessment Requirements

Travel Management Standards	Assessment Measures	Assessed By	Assessment Instruments
4. - cont.			
- requiring that a coordinator be appointed for all agency sponsored conferences and that this coordinator take necessary steps to minimize conference costs incurred by Federal participants; and	Internal procedures requiring the appointment of a conference coordinator for all agency sponsored conferences; the use of a travel cost (site selection) model and other formal methods for minimizing conference travel costs; and reports on conference attendance, costs and savings.	GAO, IGs or internal auditors.	Review of agency conference arrangement practices.
- using travel alternatives where possible and cost effective.	Availability and usage of travel alternatives, especially teleconferencing.	GSA	Questionnaire response.
		GAO, IGs and internal auditors.	Review of agency travel arrangement practices and availability and usage of travel alternatives.
5. Agencies should pay their travel obligations to travelers, carriers and other travel service providers in a cost effective and timely manner, consistent with good cash management principles, by:			
- consolidating common carrier payments to the maximum extent possible	The number of transportation tickets per GTR or per carrier payment.	GSA	Questionnaire response based on internal agency management reports, if available.
		GAO, IGs or internal auditors.	Review of agency payment procedures and records.

Exhibit 2-3 cont.
Page 5 of 6

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

Summary of Travel Management Standards and Related Assessment Requirements

Travel Management Standards	Assessment Measures	Assessed By	Assessment Instruments
5. - cont.			
- processing outstanding travel vouchers within 30 days of the completion of travel; and	Percentage of travel vouchers paid over 30 days after completion of travel; average length of time to pay a voucher following completion of travel.	GSA	Questionnaire response based on internal agency financial reports, if available.
		GAO, IGs or internal auditors.	Review of agency voucher processing procedures and records.
- minimizing the age of outstanding travel advances.	Percentage of outstanding trip-by-trip travel advances that are over 60 days from the date the advance was issued, percentage of permanent travel advances that are over 90 days from the date of the most recent travel; average length of time to process a travel advance.	GSA	Questionnaire response based on internal agency financial reports, if available.
		GAO, IGs or internal auditors.	Review of agency financial records.

Exhibit 2-3 cont.
Page 6 of 6

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

Summary of Travel Management Standards and Related Assessment Requirements

Travel Management Standards	Assessment Measures	Assessed By	Assessment Instruments
6. Agencies should minimize the administrative costs of voucher processing, by:			
- keeping the supervisory reviews of travel vouchers to a maximum of two; and	Number of supervisory reviews of travel vouchers.	GSA	Questionnaire response based on internal policies.
		GAO, IGs or internal auditors.	Review of voucher processing activities.
- using statistical sampling techniques to select travel vouchers under $500 for detailed pre-payment examination. All vouchers over $500 would receive detailed pre-payment examination.	Percentage of travel vouchers under $500 that are examined prior to payment.	GSA	Questionnaire response based on internal policies.
		GAO, IGs or internal auditors.	Review of voucher processing activities.

CHAPTER 3

IMPROVING TRAVEL ARRANGEMENTS ACHIEVES GREATEST SAVINGS IN DIRECT TRAVEL EXPENDITURES

A strategy to reduce direct travel expenditures for necessary travel must consider the different types of expenses that comprise the travel expenditure totals and the factors that affect the size of those expense types. Exhibit 3-1 displays this information for all agencies whose FY 1979 travel expenditures exceeded $5 million and indicates ways in which each type of expense can be reduced.

It is evident from Exhibit 3-1 that reductions in direct travel expenditures must be based on a combination of the following factors:

- specific travel plans, including length of stay, miles traveled, mode of travel, and routing;
- the market costs for transportation, lodging and other travel services and the availability of discounts for Federal travelers;
- travel arrangements that obtain the lowest travel costs consistent with trip requirements; and
- current reimbursement policies.

Since reimbursement policies are relatively fixed, the key variables affecting travel costs are travel plans, market costs, availability of discounts and travel arrangements.

Over the past few years, several Federal agencies have recognized that numerous opportunities exist to reduce direct travel costs. Airlines offer super saver or other special discount fares; hotels often have Federal discounts; car rental companies offer corporate rates; low cost public transportation and limousine service can be used in lieu of taxis; and GSA provides Government-owned motor pool automobiles at rental rates below POV reimbursement rates. Some agencies also have been successful in arranging special low cost fares and lodging rates for themselves, and in a few cases, for other agencies. The agencies that have begun to take advantage of these cost saving opportunities have found it necessary to place greater controls on the process by which their travelers make travel arrangements. Many of these agencies have also found that these controls provide an opportunity to reduce administrative costs associated with payments to carriers.

The following paragraphs discuss in greater detail current opportunities to reduce direct travel costs, as well as ways in which control over travel arrangements can be increased to take advantage of those opportunities and lead to administrative cost savings.

Exhibit 3-1
Page 1 of 2

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
Summary of Different Types of Travel Expenses and Ways in Which They Can Be Reduced

Type of Expense	FY 1979 Expenditures ($ millions)	Percent of Total Travel Expenditures	Factors Influencing Costs	Ways to Reduce Costs(1)
Transportation:				
Common Carrier (air, bus or rail)	$763	27%	Ticket prices on routes traveled	Arrange schedules and itineraries to take advantage of available discount fares; select a lower cost mode of travel; expand availability and use of special discount fares for Federal employees.
POV mileage costs	437	15	POV mileage reimbursement	Arrange itineraries to minimize miles driven; reduce reimbursement rates; use a GSA leased vehicle instead of a POV.
GSA vehicle charges	122	4	GSA mileage charge and miles driven, or GSA lease fee, length of lease and operating costs	Arrange itineraries to minimize miles driven; reduce mileage charge; reduce lease fee; reduce period leased (e.g. turn in underutilized cars) and reduce operating costs.
Sub-Total	1,322	46%		
Subsistence:				
Per diem	876	31	Per diem reimbursement rate; number of days in per diem status; lodging cost	Reduce the per diem rate; arrange itineraries to minimize days in per diem status; obtain lodging for less than $27 per night.
Actual expense	243	8	Actual meal and lodging costs; maximum actual cost reimbursement limit; number of days in actual cost status	Minimize lodging and meal costs; arrange itineraries to minimize days in actual cost status; reduce maximum actual cost reimbursement limit.
Sub-Total	1,119	39%		

Exhibit 3-1 cont.
Page 2 of 2

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
Summary of Different Types of Travel Expenses and Ways in Which They Can Be Reduced

Type of Expense	FY 1979 Expenditures ($ millions)	Percent of Total Travel Expenditures	Factors Influencing Costs	Ways to Reduce Costs[1]
Miscellaneous	$437	15%	Taxi charges; airport limo costs; public transportation costs; telephone charges; travelers check fees; etc.	Minimize use of taxis by using public transportation and airport limousine services wherever possible; minimize use of other services reimbursable as miscellaneous costs; restrict the number of services reimbursable as miscellaneous costs.
Total Expenditures	$2,878[2]	100%		

Note: (1) All underlined ways to reduce costs depend on the manner in which travel arrangements are made or travel is carried out. Most of the other cost reduction methods require changes in reimbursement policies.

(2) This comprises 98% of the total executive branch travel expenditures for FY 1979.

Agencies Should Take Advantage of Numerous Opportunities to Reduce Direct Travel Expenditures

As mentioned in Chapter 2, the most straightforward way to eliminate unnecessary direct travel expenditures is not to authorize low priority and unnecessary trips. The next most effective approach is to plan trips in ways that minimize travel costs. For example, routings can be selected to minimize miles driven or the number of airplane flights in and out of a headquarters office to various field locations. Conference travel, if planned carefully, also offers potential cost savings. Savings can be realized through the use of discount airfares, lodging and other travel services. Finally, recent and developing improvements in teleconferencing offer alternatives to certain types of travel that are lower in cost and permit interactions among more people than could have been brought together physically.

Schedule Travel for Conferences and Meetings More Cost-Effectively

Conference travel is a frequent target of media and Congressional criticism. An examination of the data generated from the voucher survey indicates that about 6% of all Federal travel, over 600,000 trips, is to attend conferences. The Project staff was unable to identify the number of conferences sponsored or attended or to judge the program benefits that may have resulted. However, we were able to identify techniques used by several Federal agencies and private companies to reduce travel costs associated with conferences and meetings. The specific cost reduction techniques available to conference sponsors vary from those available to conference attendees. Therefore, we distinguish between these two roles in our recommendations.

> RECOMMENDATIONS: We recommend that conference and meeting sponsors employ conference coordinators to minimize travel costs by:
>
> - Selecting locations that reduce travel costs. The Office of Personnel Management has a travel cost model that has been used successfully by several agencies to select conference locations that minimize participant travel and lodging costs. This model is available for use on request and should be used in planning all Government-sponsored conferences as well as large meetings and training sessions.
>
> - Arranging with hotels and motels for special low cost lodging and sometimes meals.

- Arranging transportation to obtain available discounts. When large numbers of attendees travel to a conference from the same location, group fares or other discount fares can sometimes be arranged. Also, special low cost arrangements can often be made for ground transportation in the immediate vicinity of the conference or meeting site.

We also recommend that agencies participating in conferences or large meetings minimize their travel costs by taking advantage of all cost saving arrangements made by conference sponsors. If the conference sponsor does not obtain transportation or lodging discounts, the participating agencies should try to obtain discounts on their own.

Improve Routing and Scheduling of Travel Before its Approval

In reviewing the approaches to reducing travel costs displayed on Exhibit 3-1, we found that all cost categories are affected by factors determined when the trip is planned. Overall airfares are determined by the number of flights taken and their routing. Taking advantage of certain discount airfares requires purchase of tickets a certain number of days in advance of travel, the trip include at least one weekend day, the ability to take a certain flight or to leave from a certain airport, and so forth. Subsistence costs are determined by the locations visited and the length of stay. Privately owned vehicle (POV) and Government-owned vehicle (GOV) costs depend on the miles driven. Careful travel planning can reduce all of these costs.

To develop recommendations on improving travel planning, inherent differences in the travel requirements of agencies and individuals must be considered. Previously, we recommended that agencies budget and account for travel according to standard travel purpose categories. The GAO recommended the same approach in its report "Improving the Management of Federal Travel." In this report, the GAO also suggested that agencies consider the mandatory, discretionary, administrative and unforeseen aspects of travel when developing travel budget estimates. Both types of considerations are useful in planning travel more effectively.

RECOMMENDATIONS: To improve travel planning at the agency and individual level, we recommend that:

- Agency travel planning begin as part of the budget development process. Agencies should consider the following factors in estimating expenditures for travel, as well as for telecommunications and other potential travel substitutes: agency missions; the purpose and amounts of travel required to support them; cost-effective methods of accomplishing travel; and the availability of travel substitutes such as teleconferencing.

- Individual travel planning be made an integral part of the travel authorization process. Realization of travel efficiencies projected in developing budget estimates depends on the degree to which those efficiencies are built into actual travel plans. Employees who are on almost continuous travel status and travel under open travel authorizations should file travel plans each time the open authorizations are renewed. These authorizations should be reviewed at least every 90 days. Since this type of travel occurs at the travelers' discretion, the travel authorization point provides the only opportunity to examine whether too much travel is planned, whether alternative routings might be more cost-effective, whether fewer trips of longer duration can be planned to minimize the travel to the field and back home, whether too many people are traveling to the same area or conference and so forth. Employees who do not travel continuously and who have their travel authorized on a trip-by-trip basis should provide clear descriptions of the proposed itineraries and purposes of the travel.

Expand Availability and Awareness of Teleconferencing as a Travel Alternative

Teleconferencing has been considered for many years to be a cost-effective substitute for travel. The use of Speakerphones in offices and conference rooms, the simplest teleconferencing technique, has been around for years. A few universities and school systems use forms of teleconferencing to teach courses at remote locations. Several large companies have their own teleconferencing networks to permit close and rapid contacts among their executives without the need for them to travel. Some government agencies, most notably NASA, have used teleconferencing successfully for many years. Most existing teleconferencing systems have audio and, in some cases, facsimile or other graphics transmission capabilities. Video teleconferencing is available on a more limited basis.

Although teleconferencing, particular audio, offers clear cost and convenience advantages for most meetings, as compared to the travel that would have been required, the use of teleconferencing as a travel alternative is not widespread. In fact, a number of teleconferencing networks set up in recent years have been dismantled because of a lack of user acceptance.

Experiments conducted in Great Britain, Canada and this country demonstrate that teleconferencing is a satisfactory substitute for most business meetings. In one experiment, sixty-nine percent (69%) of the business meetings examined could have been conducted satisfactorily using teleconferencing (52% using audio communications and 17% using video). Nonetheless, evaluations of actual usage experience indicate that teleconference facilities must be conveniently located to be used. These evaluations also reveal that teleconferencing does not necessarily result in a reduction in travel. Several surveys of businessmen in this country, and in Canada, revealed that most travelers (97% in one survey) feel that they need to travel as much or more than they currently do and that they would travel even if a variety of teleconferencing systems was available. This suggests that the only effective way to reduce travel expenditures is by reducing budget ceilings and monitoring compliance with the reduced ceilings.

Use of teleconferencing as a travel substitute appears to offer cost savings, particularly in those agencies in which a high percentage of the travel is to attend information meetings. Exhibit 3-2 lists the seventeen agencies, or groups of agencies where information meetings account for more than 20% of all their travel. At an average cost of $303 per voucher for trips of this type, these agencies spend over $64 million for this purpose.

> RECOMMENDATIONS: We recommend that the following actions be taken to expand the availability and awareness of teleconferencing as a travel alternative:
>
> - Conduct a special travel review within those agencies where the substitution of telecommunications for travel represents potential cost savings. As part of this review, the

Exhibit 3-2

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

Agencies with Highest Percentages of Information Meeting Travel

	Number of Trips (Vouchers)	% of Travel to Information Meetings
Department of the Interior		
Bureau of Land Management	18,180	45%
Bureau of Indian Affairs	9,165	21%
Tennessee Valley Authority	11,890	23%
Environmental Protection Agency	18,468	30%
National Aeronautics & Space Administration	19,520	33%
Department of Commerce		
National Oceanic & Atmospheric Administration	7,636	23%
Other Commerce	8,568	31%
Department of Defense		
Other Defense	30,996	21%
Department of Health & Human Services		
Food & Drug Administration	6,042	26%
Health Services Administration	18,752	35%
Center for Disease Control	4,536	27%
National Institutes of Health	9,454	30%
Health Care Financing Administration	6,512	37%
Department of Justice		
Other Justice	14,448	21%
Department of Transportation		
Federal Highway Administration	5,940	27%
Department of Energy	16,008	24%
Department of Education	6,052	39%
Total	212,167	

agency budget analysts would identify the extent to which telecommunications would be a satisfactory substitute for certain travel requirements. Satisfactory substitution requires that savings be generated after the necessary offsetting telecommunications costs have been taken into account.

- Include video, voice and data transmissions in future solicitations for telecommunications services to be provided to the Federal Government. Satellite technology offers the widest variety of teleconferencing options from two-way video with facsimile and graphics transmission to audio transmission only, but at a high price for the more sophisticated options. This price drops dramatically when less sophisticated teleconferencing options are used and when the full capacity of this technology for voice and data communications between a large number of sites is considered. The National Telecommunications and Information Administration (NTIA) has been working with several brokers of satellite communications services to increase the commercial viability of this technology. Bell and Howell, with NTIA support, is planning to locate video teleconferencing facilities in Washington, D. C. and all Federal regional headquarters cities. Other satellite communications firms, such as COMSAT and Satellite Business Systems, Inc., have been formed in recent years to take advantage of what is perceived by them to be a large potential market for satellite-based telecommunications services.

We were unable to evaluate the cost-effectiveness of satellite-based telecommunications systems or to determine whether such systems would increase the use of teleconferencing by the Government. GSA is initiating a study to identify the most cost-effective ways of meeting the Federal Government's future telecommunications needs. This study is limited to voice and data requirements, but should be expanded to include video transmission so that teleconferencing requirements can be satisfied as well.

- Increase manager awareness of teleconferencing capabilities as cost effective substitutes for travel. GSA with the assistance of NTIA, should prepare and distribute a brochure describing the various teleconferencing approaches available to Federal agencies, from simple conference call and Speakerphone approaches to the use of public access video teleconferencing facilities. For each approach, the potential for travel substitution should be discussed along with situations under which this substitution would be cost-effective. Information on obtaining the services necessary under each approach should also be included. In addition, the Office of Personnel Management should include this information in its supervisor and manager training courses.

Expand Availability and Awareness of Transportation and Lodging Discounts

Competitive forces in the travel industry have always been fairly strong, particularly in certain markets. Airlines have for years offered a variety of excursion fares to encourage travel on low traffic days or times and special fares to encourage group travel. Since deregulation, airlines have made dramatic fare reductions to break into certain markets, such as the $129 fares to California during the summer of 1980. Hotels in localities with excess rooms are generally willing to offer very special low rates for a guaranteed number of rooms. Also, companies in the highly competitive car rental business are often eager to offer discounts in exchange for a volume business potential. Both the Department of Defense (DOD) and General Services Administration (GSA) have been successful in taking advantage of these competitive pressures for the benefit of the Government. A summary of some of their major initiatives and the savings achieved are displayed on Exhibit 3-3.

RECOMMENDATIONS: To increase the Federal Government's use of available travel cost saving opportunities, we propose that the availability of discounts to Federal travelers be expanded and that the dissemination of cost saving information be improved. Specifically, we recommend that:

- DOD continue its efforts to obtain low cost contract fares on overseas air travel, group discount rates on domestic air travel, and other airfare savings. DOD should also take

Exhibit 3 - 3
Page 1 of 2

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

Summary of Previous Travel Cost Saving Initiatives

Agency Responsible	Description of Travel Cost Savings Initiatives	Savings Achieved (000's)	
		FY 1979	FY 1980
Department of Defense:			
Military Traffic Management Command	1. Negotiated special favorable tariffs for DoD employees based on route and volume factors.	$ 737.6	$1,045.2
	2. Obtained refunds on ticket or contract overcharges and unused tickets.	525.7	542.1
	3. Scheduled all movements of 10 or more employees traveling as a group to take advantage of group airfare discounts.	4,638.9	5,694.2
	4. Diverted travelers to cheaper transportation that provided the required service.	175.4	218.8
	5. Obtained special fares on fixed routes, generally between recruitment and training centers (Passenger Standing Route Orders).	1,377.6	2,247.6
	6. Obtained discounts for DoD travelers from commercial car rental companies.	N/A	N/A
Military Airlift Command	1. Obtained special overseas discount airfares for DOD travelers:		
	Category B fares - 40% of standard fare	189,491.1	235,905.0
	Category Z fares - 55% of standard fare	45,506.8	40,257.7
U. S. Air Force	1. Increased emphasis on use of discount airfares by requiring SATO reservation clerks to identify available discounts and generate reports to agency management on extent to which discounts were used. This began as an experiment conducted at Wright-Patterson Air Force Base in cooperation with the	322.6 (4th qtr. only)	1,324.5

Exhibit 3 - 3
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INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

Summary of Previous Travel Cost Saving Initiatives

Agency Responsible	Description of Travel Cost Savings Initiatives	Savings Achieved (000's)	
		FY 1979	FY 1980
Department of Defense - cont.			
U. S. Air Force	Air Transport Association. Over the 6-month test period, the percent of discounts taken increased from 5% in the first month to 25% in the last month. This resulted in a 10% savings in air fares over the test period. This approach is currently being extended to all installations in the United States.		
General Services Administration:			
Transportation and Public Utilities Service	1. Obtained special discounts for Federal travelers using AMTRAK between Washington, D. C. and New York City.	700	N/A
	2. Contracted with airlines to provide special discount fares to Federal travelers on selected routes. In the last six months of 1980, contracts with four airlines on eleven routes were in effect. For the first six months of 1981, contracts with 11 airlines on 57 routes have been obtained.	-	$5,365
	3. Obtained special discount lodging rates from hotels in cities with high concentrations of Federal travelers. This began in 1980 in the Southeastern region where GSA obtain special rates from 41 hotels and motels in 13 cities. The regional office has expanded the number of hotels and cities covered for 1981 and GSA is seeking to expand this program nationwide.		N/A
Federal Supply Service	1. Obtained discounts for Federal travelers from commercial car rental companies.	N/A	N/A

the lead in expanding its overseas airfare contracts for use by all Federal travelers.

- GSA continue to expand its use of discount airfare contracts to cover more domestic routes.
- GSA headquarters adopt the Southeastern Region's approach to obtaining special discount hotel rates and oversee the expansion of that approach on a nationwide basis.
- GSA, DOD and the State Department coordinate their efforts to obtain discount car rental rates so that those rates are available to all Federal travelers.
- GSA contact recreation associations and travel clubs that offer special discount packages, such as the "spend a second night free" package at certain hotels, and explore the feasibility of making these packages available to Federal travelers.
- Commercial travel directories be used to disseminate information on discounts and other cost saving opportunities available to Federal travelers. GSA has recently begun to publicize its contract air fares and schedules in a special supplement to the Official Airline Guide (OAG) that is distributed to all Federal agencies subscribing to that guide. The supplement includes information on the availability and cost of ground transportation at the airports served by the discounts. The Department of Defense is sharing the cost of this publication with GSA and should continue to do so since its travelers will benefit from the information as well. We further recommend that GSA continue the discussions, begun by Project staff, with publishers of other commercial travel guides. Several of these publishers were very willing to include information on hotel discounts available to Federal travelers and similar publishers might be willing to do this as well.

- DOD share its Routing Guides and schedules for overseas discount air service with GSA for distribution to civilian agencies as soon as that discount service becomes available to civilian travelers.

- In general, DOD, GSA and the State Department share information on discounts and other cost savings that have been obtained or developed for travelers under their respective jurisdictions.

- GSA develop a special series of bulletins to publicize cost saving information on a routine basis, especially information promoting its own cost saving initiatives.

- GSA publish a simple, single page brochure for each major U.S. city giving basic information about that city. Such information might include:

  - a simple map showing the main streets, the principal Federal centers and the hotels in the vicinity of those centers;

  - locations and telephone numbers for the GSA motor pool, airport ground transportation services, GSA and DOD car rental contractors, the FTS operator, etc.; and

  - contract air service serving that city.

  These simple documents could easily be updated and reproduced. They could be given to travelers along with their airline tickets.

Agencies Should Improve Controls Over Travel Arrangements to Realize Further Direct Travel Cost Savings

In its report, "Use of Discount Airline Fares and Teleticketing Would Help Save on Government Travel Expenses", dated July 21, 1978, the General Accounting Office stated the following:

> "Federal employees frequently have not obtained available discount airline fares because the General Services Administration and other

> Federal agencies have inadequate controls and oversight of agency travel. As a result, millions of dollars have been spent unnecessarily, on commercial air travel."

The GAO report cites three reasons for this:

- employees did not know special fares existed;
- employees did not make airline reservations sufficiently in advance to qualify for reduced fares; and
- no agency was responsible for making group reservations for Federal employees attending multi-agency conferences or for employees of various agencies who had common departures and destinations.

Our findings two years later confirm that many agencies exercise little control over airline reservations and other travel arrangements. The majority of travel arrangements, at least among civilian agencies, are made directly by the traveler or his/her secretary. Since most travelers are unaware of the constantly changing discounts and related eligibility requirements, it is easy to understand why many discounts are not taken.

The Department of Defense and a few civilian agencies have obtained travel cost savings by requiring their travelers to arrange trips through agency travel offices. Although many of these offices make reservations without taking full advantage of available discounts, the recent success of the GSA contract air service program indicates the potential that these travel offices possess for obtaining discounts for their travelers. The Air Force demonstrated the ability to increase dramatically the percentage of discounts taken when travel arrangements are made by a travel office and where management attention is focused on taking advantage of the discounts. Finally, the DOD was able to realize almost $950,000 in net savings during FY 1980 by using automated reservation equipment to identify discount opportunities and reduce administrative costs at the Military District of Washington Travel Office in the Pentagon.

All executive branch agencies should control travel arrangements to achieve effective savings. The following recommendations describe actions required by the three travel oversight agencies (GSA, DOD and the State Department) as well as each of the other agencies. Finally, we recommend that Federal travelers obtain complete and expert travel services, at no cost to the government, by using commercial travel offices.

Coordinate Travel Service Functions Within Each Travel Oversight Agency

It would be difficult for each Federal agency to keep abreast of the constantly changing discount opportunities for Federal travelers. Duplication of this narrow area of expertise would be inefficient and add to already high travel administrative costs.

In a previous section, we described the cost saving activities of the Military Traffic Management Command (MTMC) in DOD and the Transportation and Public Utilities Service (TPUS) in GSA. Exhibit 3-4 displays more completely the policy-level travel service activities performed by these two units, as well as by the Office of Administration within the State Department. As can be seen from this exhibit:

- some activities, e.g., issuing travel management regulations and assisting with relocation-required household goods shipments, are appropriately performed by each agency for the travelers under its jurisdiction.
- some activities, e.g., negotiating rail fare discounts and disseminating cost saving information through commercial publishers, are appropriately performed by one agency for the benefit of the others.

However, other activities, e.g., negotiating commercial car rental rates and obtaining subsistence cost information, are duplicated unnecessarily by all agencies. Still other activities should be performed but are not, or are performed by one agency and not shared with the others.

As mentioned in Chapter 2, only GSA and DOD have statutory authority to set policies governing the procurement of travel services. However, there are certain areas of the world where these two agencies have no significant presence and where the State Department would be the most appropriate agency to procure travel services for Federal travelers. This is in line with the principle under which the State Department, by Executive Order, was assigned responsibility for setting per diem rates for civilian travelers in non-U.S. overseas locations, while GSA sets similar rates within the continental United States.

> RECOMMENDATIONS: To clarify and coordinate the travel service functions of GSA, DOD and the State Department, we recommend the following actions:

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INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

Extent to Which Travel Oversight Agencies Currently Perform Travel Service Functions

Travel Service Functions	Department of Defense	General Services Administration	State Department
o Issue travel service and procurement regulations.	Yes	Yes, to extent this is done.	Yes
o Issue information bulletins on travel management practices and cost saving opportunities.	Yes, whenever new information is available.	Yes, but infrequently.	Yes, when needed.
o Assist subordinate agencies in establishing travel service offices at both headquarters and field locations.	Not applicable since such offices are already established.	No	No, major State Department activities are outside the U.S. and use travel agents.
o Negotiate special travel discounts:			
- air fares	Yes, particularly for group movements. Military Airlift Command negotiates discount fares for overseas travel.	Yes, for travel on certain domestic air routes.	No
- rail fares	Yes	Yes, AMTRAK.	No
- commercial rental car rates	Yes	Yes	Yes
- lodging rates	No, use GSA rates where available.	One of the ten regional offices has negotiated lodging discounts in frequently traveled cities. GSA may try this approach nationwide.	Yes, but limited to special use, mainly training or diplomatic use.

Exhibit 3-4
Page 2 of 3

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

Extent to Which Travel Oversight Agencies Currently Perform Travel Service Functions

Travel Service Functions	Department of Defense	General Services Administration	State Department
o Work with publishers of commercial travel directories to include information on Federal lodging discounts and other information of interest to the Federal traveler.	No	Yes, but not yet published.	No
o Obtain subsistence cost information for use in establishing reimbursement limits.	Yes. The Joint Per Diem Committee obtains subsistence costs world-wide through various DOD installations.	Yes, for locations within the continental United States.	Yes, for certain overseas locations for which DoD information is not available.
o Work with appropriate agencies to expand the availability and awareness of teleconferencing as a travel alternative.	No	No	No
o Work with recreation associations, travel clubs, etc. to identify special discount opportunities available to Federal travelers.	Not for official travel, but some for unofficial travel.	No	No
o Accumulate management information from the network of travel service providers, both government and commercial.	To a limited extent.	No	No
o Assist in the assessment of agency travel management practices.	Yes	No	No
o Assess the performance of government and commercial travel service providers.	Yes, particularly carriers.	No	No

Exhibit 3-4
Page 3 of 3

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

Extent to Which Travel Oversight Agencies Currently Perform Travel Service Functions

Travel Service Functions	Department of Defense	General Services Administration	State Department
o Report the required assessment results to Congress and OMB.	Not required.	Yes	Not required.
o Schedule or coordinate the scheduling of group air travel to take advantage of special group fares.	Yes, for all group movements of 10 or more. No, for individuals not scheduled to travel as a group but having the same itinerary.	No	Yes, but only under exceptional circumstances.
o Assist in making household goods shipments in support of relocations.	Yes	Yes, at request of agencies.	Yes, provides assistance to all agencies on international relocations.

- Obtain agreement on travel service functions to be performed by each oversight agency. As a first step, we recommend that representatives of the GSA, DOD and the State Department discuss which of the policy-level functions displayed on Exhibit 3-4 should be performed. Second, lead responsibilities for accomplishing the various tasks should be determined. For example, GSA should probably take the lead in obtaining lodging discounts in the continental United States for all Federal travelers. GSA should delegate to the State Department the responsibility to obtain discount lodging at overseas locations for use by all Federal travelers.

  A more complete display of the recommended policy-level travel service functions and their assignment to the three oversight agencies is shown in Exhibit 3-5.

- Provide GSA and the State Department with adequate resources to carry out the recommended travel service functions. The Military Traffic Management Command (MTMC) within DOD already carries out most of the functions recommended for it. However, the Department of State and the Transportation and Public Utilities Service (TPUS) within GSA do not presently perform most of the functions recommended for them and some of the recommended functions that are performed are not performed adequately because of a lack of staff. Additional resources should be made available to them to allow effective implementation of the recommended functions.

Assure Availability of Travel Services in Agency Headquarters and Major Field Offices

Over half of the agencies responding to the Travel Management Questionnaire had some type of travel service office at the headquarters level. In downtown Washington, D. C., there are 48 separate civilian agency travel service offices, some of

Exhibit 3-5
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INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

Recommended Assignment of Travel Service Functions to Travel Oversight Agencies

Travel Service Functions	Department of Defense	General Services Administration	State Department
o Issue travel service and procurement regulations.	Yes, for all DoD employees.	Yes, for all non-DoD employees.	No
o Issue information bulletins on travel management practices and cost saving opportunities.	Yes, but share with other oversight agencies and disseminate information received from those agencies.	Yes, but share with other oversight agencies and disseminate information received from those agencies.	Yes, but share with other oversight agencies and disseminate information received from those agencies.
o Assist subordinate agencies in establishing travel service offices at both headquarters and field locations.	Yes	Yes	Not applicable
o Negotiate special travel discounts:			
- air fares	Yes, particularly for group movements and other special routings. Continue to use GSA contract air fares where appropriate. Military Airlift Command should negotiate discount fares for overseas travel by all Federal travelers.	Yes, for travel on selected domestic air routes.	No
- rail fares	Yes, continue to obtain discounts for group movements and use GSA AMTRAK rates where appropriate. Where feasible, obtain discount fares on foreign railroads for all Federal travelers.	Yes, AMTRAK	In areas not served by DoD, obtain discount fares on foreign railroads for all Federal travelers.

Exhibit 3-5
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INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

Recommended Assignment of Travel Service Functions to Travel Oversight Agencies

Travel Service Functions	Department of Defense	General Services Administration	State Department
- commercial rental car rates	Yes, but coordinate with other oversight agencies.	Yes, but coordinate with other oversight agencies.	Yes, but coordinate with other oversight agencies.
- lodging rates	No, use GSA and State Dept. rates where available.	Take the lead in negotiating lodging discounts in frequently traveled cities in the Continental U. S.	Take the lead in negotiating lodging discounts in frequently traveled cities overseas.
o Work with publishers of commercial travel directories to include information on Federal lodging discounts and other information of interest to the Federal traveler.	Work with State Department to publish information on travel outside continental U.S.	Take lead for entire government	Refer to DoD comment.
o Obtain subsistence cost information for use in establishing reimbursement limits.	Refer to GSA comment.	GSA, DoD and State should coordinate activities to gather subsistence cost data to avoid duplicating collection efforts and share the results in setting their respective reimbursement rates.	Refer to GSA comment.
o Work with appropriate agencies to expand the availability and awareness of teleconferencing as a travel alternative.	No	Take lead for entire government.	No
o Work with recreation associations, travel clubs, etc. to identify special discount opportunities available to Federal travelers.	No	Take lead for entire government.	No.

Exhibit 3-5
Page 3 of 3

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

Recommended Assignment of Travel Service Functions to Travel Oversight Agencies

Travel Service Functions	Department of Defense	General Services Administration	State Department
o Accumulate management information from the network of travel service providers, both government and commercial.	Assemble this information from all DoD units and report it to GSA.	Assemble this information from DoD, State and all civilian agencies and include in assessment reports to Congress and OMB.	Assemble this information from all foreign service installations and report it to GSA.
o Assess the performance of government and commercial travel service providers.	Yes. Share assessment information with GSA.	Yes, for non-DoD agencies. Coordinate with DoD to share assessment information.	No
o Assess agency travel management service and procurement practices.	No	Yes, with assistance from GAO, agency Inspectors General and agency internal auditors.	No
o Report the required agency assessment results to Congress and OMB.	Not required.	Yes	Not required.
o Schedule or coordinate the scheduling of group air travel to take advantage of special group fares.	Yes, for all group movements.	Require that agency and commercial travel offices make such arrangements for individuals not scheduled to travel as a group but having the same itinerary.	Yes, but only under exceptional circumstances.
o Assist in making household goods shipments in support of relocations.	Yes	Yes, at request of agencies.	Yes, provide assistance to all agencies on international relocations, as requested.

which are fairly sophisticated. However, the agencies without any travel service capacity include the State Department and some of the larger civilian agencies as shown on Exhibit 3-6. More significantly, travel service support provided at the field level is negligible. Although almost 90% of all Federal employees are located in field offices or installations, only the Department of Defense and 28 of the 107 civilian organizations responding to the Questionnaire provide any travel service support at the field level. Only the following civilian agencies appeared to have travel service offices at most of their field locations:

Agency for International Development

Department of Energy

Department of Interior: Water Power and Resources Administration

Department of Justice: Bureau of Prisons

Environmental Protection Agency

National Aeronautics and Space Administration

Veterans Administration

The Department of Defense has an extensive network of Installation Transportation Offices. However, the civilian agencies with adequate travel services in the field account for approximately 339,000 employees or only one-third of the Federal workforce outside of DOD.

Many agencies with travel service offices do not attempt to influence the travel arrangements of their travelers. Ten of the 59 civilian agencies with headquarters travel service offices do not require their employees to use those offices. Although a few agency travel service offices seek low cost travel accommodations for their travelers, the majority do not appear to be aware of or motivated to learn about travel cost saving opportunities.

Agency management should be responsible for implementing travel cost saving techniques.

Exhibit 3 - 6

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

Departments and Agencies Reporting No Travel Services Offices on Travel Management Questionnaire

Department/Agency: Bureau	No. of Employees
Department of Agriculture (all bureaus)	83,899
Department of Health and Human Services	
HCFA	4,571
HSA	18,009
CDC	3,753
Department of Interior	
USGS	9,270
Park Service	8,780
Department of Justice	
INS	9,727
FBI	18,440
Department of Labor	
ESA	4,991
MSHA	3,703
OSHA	2,885
Department of State (all bureaus)	27,883
Department of Treasury	
Secret Service	3,553
Equal Employment Opportunity Commission	3,516
Small Business Administration	4,372
Total Employees with no travel services	192,546 (13% of total non-DoD civilian employment)

RECOMMENDATION: We recommend that agencies assure the availability of a travel service capacity at headquarters and principal field installations and offices. This capacity should provide the means for:

- Assuring that agency travelers are able to obtain transportation tickets, hotel reservations and other travel services through commercial travel offices (airline ticket offices or travel agents).
- Reviewing the performance of commercial travel offices and notifying the GSA regional travel office if service becomes unsatisfactory.
- Disseminating to agency travelers, the travel cost saving information (directories, etc.) published by commercial sources or by the travel oversight agencies.
- Training agency managers and supervisors in planning, budgeting and managing travel more effectively.
- Scheduling agency-sponsored conferences in the most cost-effective manner using the OPM travel cost (site selection) model and other techniques.
- Obtaining travel management reports on travel and discounts taken from the commercial travel offices and distributing them to the appropriate agency managers.

Use Commercial Travel Offices to Arrange and Pay for Travel Services

Current conditions in the travel industry provide opportunities for Federal travelers to make their travel arrangements through commercial travel offices at no cost to the Government. Commercial travel offices consist of various types of airline ticket offices, principally Scheduled Airline Ticket Offices (SATOs) and Combined Airline Ticket Offices (CATOs), as well as private travel agents and large travel service companies such as Thomas Cook or American Express.

For many years, travel agents were not permitted by GAO to make travel arrangements for Federal travelers on official business, except in a few unusual situations. In addition, the airline industry, in a decision approved by the Civil Aeronautics Board, refused to pay travel agents a commission (currently 7-10% of the ticket price) on air travel paid by Government Transportation Request (GTR). To make airline reservations and obtain tickets for Government employees, the airline industry established Scheduled Airline Ticket Offices (SATOs) at locations served by several air carriers and convenient to concentrations of Federal travelers. At some locations served by only a few air carriers, the carriers involved established Combined Airline Ticket Offices (CATOs) to issue tickets to travelers. SATOs and CATOs are located at DOD installations, in most Federal regional cities and in a few other major cities as well. Exhibit 3-7 indicates the location of most SATOs and CATOs used by civilian agencies.

Travel agents provide a wide variety of travel arrangements and services for their clients generally at no cost since most of the reservations that they book earn them commissions. According to a 1978 Lou Harris study of the travel agent industry, airline commissions account for 61% of travel agent revenues. Other sources of commissions include hotels (11%), steamship cruises (11%), car rentals (7%), rail fares (3%) and miscellaneous (7%). It is clear from these facts that, without airline commissions, it is uneconomical for travel agents to serve government agencies for official business only. The only way that some travel agents can justify doing government business is where government employees book a sufficient volume of vacation or other personal travel.

Within the past year and a half, GAO lifted its prohibition on agency use of travel agents for agencies that applied to GAO to use them on a pilot basis. Thus far, the Employment and Training Administration in the Labor Department is the only ongoing pilot test of this arrangement. We understand that the State Department and Department of Defense are in the process of establishing similar arrangements. In addition, the Civil Aeronautics Board has recently removed its approval of the airlines' prohibition against paying commissions on Government travel. This action could eventually have a profound impact on travel services available to Federal agencies since travel agents

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INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

Summary of SATO/CATO Locations Reported by Civilian Agencies in the Travel Management Questionnaire

Location	SATOs Number	SATOs Agencies Served	CATOs Number	CATOs Agencies Served
Capital Region:				
Washington, D. C.	5	13	4	13
Hyattsville, Maryland	0	0	1	1
Beltsville, Maryland	0	0	1	1
Rockville, Maryland	1*	1	0	0
Greenbelt, Maryland	1	1	0	0
Arlington, Virginia	0	0	1	2
Regional Cities:				
Boston, Massachusetts	1	2	0	0
New York, New York	1	1	1	1
Philadelphia, Pennsylvania	1	1	0	0
Atlanta, Georgia	1	7	0	0
Chicago, Illinois	1	7	0	0
Dallas, Texas	1	1	0	0
Kansas City, Missouri	0	0	0	0
Denver, Colorado	0	0	1	1
San Francisco, California	1	10	1	1
Seattle, Washington	0	0	0	0
Other Cities and Facilities:				
Bedford, Massachusetts	1	1	0	0
National Space Technologies Laboratories, Massachusetts	1	1	0	0
Narrangansett, Massachusetts	1	1	0	0
Hampton, Virginia	1	1	0	0
Kennedy Space Flight Center, Florida	1	1	0	0
Pittsburgh, Pennsylvania	0	0	1	1
Marshall Space Flight Center, Alabama	1	1	0	0
New Orleans, Louisiana	0	0	1	1
Homewood, Illinois	1	1	0	0
Hines, Illinois	1	1	0	0
Houston, Texas	1	1	0	0
St. Louis, Missouri	1	2	0	0
Leavenworth, Kansas	1	1	0	0
Boulder, Colorado	1	1	0	0
Cheyenne, Wyoming	0	0	1	1
Salt Lake City, Utah	1	1	0	0
American Lake, Washington	1	1	0	0
Portland, Oregon	1	1	0	0
Sacramento, California	1	1	0	0

*A SATO is pending in this location.

Exhibit 3 - 7 cont.
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INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

Summary of SATO/CATO Locations Reported by Civilian Agencies in the Travel Management Questionnaire

	SATOs		CATOs	
Location	Number	Agencies Served	Number	Agencies Served
Other Cities and Facilities:				
Loma Linda, California	1	1	0	0
Vandenberg Air Force Base, California	1	1	0	0
Anchorage, Alaska	1	3	1	1
Honolulu, Hawaii	1	1	0	0

will aggressively seek to obtain Federal business. With total airfare costs estimated at $1.2 billion in FY 1982, potential commissions in excess of $84 million are possible in airline commissions alone, if travel agents make all airplane reservations for Federal travelers. Because of the possibility that travel agents may soon be able to serve Federal agencies, the airline industry has become interested in providing a comparable level of service through its SATOs. Since they are able to operate SATOs for about 5.2% of ticket revenues, the difference between their direct costs and the cost of commissions otherwise paid to travel agents represents a cost avoidance for them.

Since travel agents, SATOs, and other commercial travel offices do not charge for their services, we have no preference as to which type is used as long as the services provided are adequate.

RECOMMENDATIONS: In order that agencies take optimum advantage of the travel services available to Federal travelers from commercial travel offices, we recommend that:

- Performance standards for commercial travel offices be established and compliance with them monitored. GSA should promulgate, as part of its procurement regulations, minimum service requirements and performance standards for selecting commercial travel offices to serve civilian agencies. DOD has already initiated such service requirements and standards for use by DOD agencies and these services are generally provided by travel agents to their commercial customers. These minimum service requirements should include, but not be limited to:
    - o providing at no cost a full range of travel services to include:
        - -- assistance, when requested, in planning itineraries to minimize travel costs;
        - -- making reservations for commercial airlines, buses, trains, hotels, GSA motor pool cars, contract commercial rental cars, etc.;

  - obtaining and delivering transportation tickets to travelers;
  - obtaining passports and visas; and
  - assisting with personal travel arrangements.

- using unbiased airline reservation systems.
- obtaining special discounts, where possible, by arranging group or special package flights, group bookings at hotels, etc.
- making conference arrangements.
- capturing certain GSA-prescribed basic data on trips taken, travel costs, discounts taken, etc. and reporting that information to the agencies served and to GSA at no cost to the Government.
- having the ability to serve the employees of any Federal agency and to provide the proper billing information to those agencies.
- providing billing and accounting data in a computer-readable form to agencies whose systems are able to process such data.
- using consolidated GTRs or similar consolidated approaches to pay carriers and other service providers.

Each agency travel service office should monitor, via management reports and traveler comments, the performance of any commercial travel offices which serve it and report problems to its GSA regional travel office. Arrangements with commercial travel offices that fail to remedy any performance problems within a specified time period should be discontinued and another commercial travel office selected to provide service.

- Commercial travel offices be selected according to a regional plan coordinated by the GSA regional travel office with the concurrence of all agencies served. At least one commercial travel office should be selected for each regional city and any other cities and installations where justified by the travel volume. The regional plan would deal with:
    - o making airline and lodging reservations for travelers at remote locations via FTS phones and delivering airline tickets to them via teleticketing equipment.
    - o using courier or messenger service to deliver airline tickets to locations not served by teleticketing equipment.
    - o gathering travel data from all commercial and agency travel offices in the region and assembling management reports for distribution to each agency and the GSA.
- Agencies require all travelers to obtain airline tickets and, where possible, hotel and car rental reservations, through the most convenient commercial travel office in the region. As indicated previously, each commercial travel office should have the ability to serve employees from any Federal agency. Requiring Federal travelers to make their travel arrangements through commercial travel offices offers potential savings of $116.2 million in FY 1982 because of the proven ability of such offices to take advantage of discount airfares. Additional, though indeterminate, savings can be obtained by using these offices to make cost-effective travel arrangements for lodging and car rentals. Further savings might be realized by eliminating the reservation and ticketing services currently provided by agency tra[illegible]ice offices and obtaining those ser[illegible]om commercial travel offices.

Agencies Should Also Realize the Administrative Cost Savings Available Through Improved Travel Arrangements

As previously discussed, most Federal travelers make their own travel arrangements and pay for common carrier transportation with individual Government Transportation Requests, commonly called "GTRs." Several agency studies have shown the GTR to be a costly transaction to process, both for the issuing agency and for the carriers that receive them in payment. Many agencies have begun to consolidate some of their payments for common carrier tickets so that one GTR is used to pay for several tickets. This practice is not widespread, however, and the Government as a whole issues one GTR for every two tickets purchased. Implementation of a previous recommendation will require the majority of Federal travelers to make their travel arrangements through and obtain their tickets directly from agency or commercial travel offices. This proposal provides an opportunity to consolidate ticket payments and drastically reduce the number of GTRs used. Both of these actions will result in a substantial reduction in travel-related administrative costs to Federal agencies as well as in carrier overhead costs.

Drastically Reduce the Use of Government Transportation Requests

In FY 1979, over 2.8 million common carrier tickets, or almost 60% of all tickets purchased that year, were obtained by using a GTR to pay for a single trip. Most of these purchases were made by individual travelers who presented GTRs to ticket clerks in exchange for tickets. Carrier accounting offices received and consolidated all GTRs from various ticket agents, sorted them by Federal agency and sent each agency its GTRs along with a public voucher for payment. Agency accounting offices audited the GTRs against their own travel records and eventually paid the carriers.

The GTR is a costly document to process. Processing cost estimates range from $3 to $36 per GTR. For purposes of this study, $10 was judged to be a reasonable estimate of a Federal agency's cost to process a typical GTR. Interviews with airline representatives indicated that GTRs are much more costly for them to process than credit card charge slips, personal checks or cash payments. Not only do airlines have to take extra handling and accounting steps in processing GTRs, but they also complain about considerable delays between their submission of GTRs to agencies and final payment.

Requiring Federal travelers to obtain common carrier tickets through travel service offices, as previously recommended, offers the opportunity for substantial administrative cost savings by Federal agencies as well as common carriers. This type of administrative cost savings does not depend on whether the travel service office is operated by Government employees or whether services are provided by one of the several types of commercial travel offices; i.e., Scheduled Airline Ticket Offices (SATOs), Combined Airline Ticket Offices (CATOs), independent carrier ticket offices, or qualified travel agents. The salient factors for achieving these savings are that:

(1) reservation and ticketing services are performed for agency employees at locations with teleticketing or electronic reservation and ticket service (ERTS) equipment;

(2) the equipment used at these locations has the ability to produce a single billing document for many tickets; and

(3) the agency establishes a standard billing period and payment procedure with the lead carrier or commercial travel office (SATO, CATO, or travel agent). The lead carrier or commercial travel office then distributes payment among the carriers that actually provide the transportation. Guidelines for establishing billing period and payment procedures are contained in GSA Bulletin FPMR A-71, March 6, 1979, and in the Military Traffic Management Regulation.

We have recommended that these factors be included among the criteria used to select commercial travel offices to serve Federal travelers. We also recommend that all agency travel service offices be equipped with these capabilities and use them to consolidate carrier payments.

According to the agency responses to the Travel Management Questionnaire, almost 35,000 Federal employees have books of GTRs with which they are able to obtain common carrier tickets at any time. In some smaller agencies, almost all travelers hold such books of GTRs. Even in a few large agencies, this practice is prevalent. Ideally, the individual GTR should be eliminated, but practical considerations make this impossible. There are trips that occur under circumstances which preclude use of a travel service office. In those circumstances, the GTR offers employees a great deal of flexibility in obtaining tickets. However, most of the tickets needed by Federal travelers can and should be obtained through an agency or commercial travel office.

In the past, ticket volume within a specific agency location dictated the reservation and ticketing method and equipment which were feasible for use by the agency travel service office. While ticket volume is still important, technological advances made by the travel industry permit separate accounts to be maintained and several adjacent agencies to be served by one

ERTS installation. As a result, agencies previously considered too small to adopt consolidated payment procedures should reconsider options available. It is entirely possible that cost beneficial operations could result from becoming a satellite to a larger Federal agency or by obtaining service from a commercial travel office. Under such an arrangement, the small agency would be billed periodically for multiple tickets provided by the other agency or commercial travel office.

> RECOMMENDATIONS: We recommend that all agency travel service offices that provide reservation and ticketing services be equipped with and use consolidated carrier payment capabilities.
>
> We also recommend that agencies drastically limit the number of GTRs issued to individual employees by controlling their issuance through the authorization process and limiting their use to emergency situations only. As long as tens of thousands of travelers have an easy way to avoid using travel service offices, it will be difficult to assure the maximum use of these offices and the savings that result from their use. We believe that it is possible to reduce the number of GTRs issued to 750,000 per year, (a reduction of 66% from the present 2.2 million). Such a reduction would result in savings of $14.8 million per year in administrative costs.

Maximize the Administrative Cost Savings Possible from Consolidated Carrier Payment Procedures

Fifty-seven percent (57%) of the Federal agencies responding to the Travel Management Questionnaire currently make some form of consolidated payments to carriers. The National Science Foundation leads the way in making consolidated carrier payments with over 94% of their tickets paid for in that way. Government-wide, approximately 37% of all common carrier tickets are paid for on a consolidated basis. Specific savings which are attributed to consolidated payments depend on the cost of processing GTRs in the agency and the volume of GTRs issued for individual tickets. Other savings from using teleticketing and ERTS equipment are often comparable to those generated from the consolidated payment procedure. These savings result from the increased awareness and use of airfare discounts made easier by ERTS equipment as well as other administrative costs savings. An example of the savings potential of a travel office equipped with ERTS equipment and using consolidated payment procedure is presented in Exhibit 3-8. This exhibit shows the total net savings realized by the Military District of Washington Travel Office located at the Pentagon during its first year of automation.

Exhibit 3-8

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

Savings Achieved by the Military District of Washington Travel Office - Pentagon

Type of Savings	Amount	Percent of Total Savings
Administrative cost savings from consolidated payment procedures:		
Reduced number of GTRs processed	$223,010	23%
Airfare (e.g. direct travel cost) savings from use of ERTS equipment:		
Increased awareness and use of discount fares	$629,841	64%
Administrative cost savings from use of ERTS equipment:		
Reduced ticket pickup time	$117,313	
Reduced processing of ticket refund documents	6,490	
Reduced subscriptions to the *Official Airline Guide* (OAG)	530	
Sub-total	$124,333	13%
Total Savings	$977,184	100%
Administrative costs for ERTS equipment:		
Equipment leasing costs	25,187	
Employee training costs	2,052	
Sub-total	(27,239)	(3%)
Net Savings	$949,945	97%

The Military District of Washington Travel and Finance Offices have also developed a direct linkage between their airline reservation system and their accounting system. When fully in operation, this linkage will reduce travel paperwork and related administrative costs still further. Current technology will permit the development of similar linkages between commercial travel office reservation equipment and agency accounting systems.

> RECOMMENDATIONS: We recommend that all agencies take advantage of the full range of administrative cost savings achievable through the use of agency or commercial travel offices. To increase these savings, we also recommend that agencies develop direct data linkages between their accounting system and the reservation equipment used by the travel offices that serve their travelers.

CHAPTER 4

SIMPLIFYING REIMBURSEMENT POLICIES AND VOUCHER PROCESSING WILL LEAD TO SIGNIFICANT ADMINISTRATIVE COST SAVINGS

The most frequent complaint voiced by Federal travelers is that travel reimbursement processing takes too long and requires them to use personal funds to pay official travel costs. Factors contributing to reimbursement delays include:

- cumbersome voucher preparation and examination requirements caused by complex reimbursement policies;
- failure to submit vouchers on a timely basis following travel; and
- unnecessary voucher processing steps.

To reduce the need for travelers to use their own funds to pay for official travel, virtually all agencies advance funds to cover anticipated subsistence costs. In many agencies, the majority of travelers use such advances. Unfortunately, lax agency controls over the submission of vouchers and reconciliation of outstanding advances results in almost 21% of advanced travel funds still unreconciled over 90 days from their issuance.

A recent GAO report states that simplifying reimbursement policies and voucher processing will lead to dramatic administrative cost savings. We concur and believe that further administrative cost savings can be achieved by improving travel advance procedures.

Improvements in the Reimbursement System Must Begin With Underlying Entitlement Policies

The travel expenses for which most Federal employees are entitled to reimbursement are based on three separate statutes. Generally, the statutes establish maximum expenses which can be paid from Federal funds under precisely defined circumstances. If goods or services to which employees are entitled, such as transportation and subsistence, are not provided to the employee by the Government, the employee is reimbursed for those expenses in accordance with regulations which implement the statutes. The three statutes assign the following responsibilities for publishing regulations to administer the entitlements authorized:

- The Administrator of General Services prescribes regulations for civilian employees, with certain exceptions, in accordance with 5 U.S.C. 5707. The

Federal Travel Regulation is issued by GSA as part of its Federal Property Management Regulation to satisfy this obligation.

- The Secretary of State prescribes regulations which cover officers and employees of the Foreign Service in accordance with 22 U.S.C. 1136. These Foreign Service Travel Regulations are published in Chapter 6 of the Foreign Affairs Manual.
- The "Secretaries concerned" prescribe regulations for members of the uniformed services in accordance with 37 U.S.C. 404. In this case, the Secretaries of the Army, Navy, Air Force, Transportation, Commerce, and Health and Human Services have formed a Per Diem, Travel and Transportation Allowance Committee which publishes coordinated regulations in the Joint Travel Regulations, Volume 1.

While the statutory assignments of regulatory responsibilities hold for most entitlements, the specific authority to establish subsistence reimbursement rates for civilian employees differ as follows:

- The Administrator of General Services establishes reimbursement rates for travel within the continental United States and while enroute to and from overseas areas in accordance with Executive Order 11609 dated July 22, 1971.
- The Secretary of Defense establishes reimbursement rates for travel in Alaska, Hawaii, Puerto Rico, and possessions of the United States in accordance with Executive Order 11294 dated August 4, 1966.
- The Secretary of State establishes reimbursement rates for travel in any area outside the United States not under the purview of the Secretary of Defense. Executive Order 11294 dated August 4, 1966, assigns this responsibility.

Authority to establish rates for reimbursement of subsistence expenses world-wide to members of the Foreign Service and to members of the uniformed services remain with the Secretary of State and the "Secretaries concerned," respectively.

The legal fragmentation of entitlement responsibilities by category of Federal employee understandably leads to differences in entitlement policies covering these employees. Although GAO has criticized some of these differences as inequitable, examination of statutory entitlement equity was outside the scope of this Project. We did, however, examine the basic entitlement regulations and the ways in which they are implemented.

Simplify Entitlement Policy Language and Set Government-wide Entitlement Amounts

A review of the three basic travel entitlement regulations confirms the allegations of complexity and vagueness made by travelers, supervisors and administrators. In some cases, general policies and entitlements, together with specific rules or interpretations and a generous sprinkling of travel management policies and procedures, are contained in the basic regulations. In other cases, the policies, entitlements, and rules demand agency interpretation and/or modification before they can be used. This need for interpretation and modification requires departments and agencies to publish their own travel regulations. However, we found that, except for some unique agency-specific implementing instructions and occasional changes in entitlements, virtually all departments and agencies have copied the basic regulations without substantial change. Whatever the reason for this proliferation, travelers, supervisors, and administrators face a myriad of regulations, directives, and interpretations which must be assimilated before entitlements can be understood and vouchers can be prepared and processed correctly. Unfortunately, there is no consistency of entitlements, interpretation, and implementation between departments or even between bureaus and agencies of the same departments.

Although statutory differences cause entitlements to vary among civilian, uniformed and Foreign Service employee categories, these entitlements should not differ within employee category. Entitlements accrue to an individual as dictated by statutes, by regulations issued to implement statutes, and by specific travel circumstances. The presumption should be that two employees in the same category, who travel to the same place under the same circumstances, accrue the same entitlements regardless of the department or agency in which employed.

> RECOMMENDATION: In Chapter 2, we recommend that GSA, the Per Diem Committee and the State Department update, simplify and rewrite their travel entitlement regulations in a consistent format and publish them as three volumes of an overall U.S. Government Travel Regulation. Also in that Chapter, we recommend that agencies be permitted to modify only certain sections of the regulation manual and that a uniform process be used to update the travel regulations. These recommendations, when implemented, will make the travel regulations much more uniform and understandable. To improve the equity of entitlements as they are applied within the three categories of employees (i.e. civilian, uniformed and Foreign Service), we further

recommend that these regulations require consistent Government-wide implementation of the entitlements established for each employee category.

Adopt a Locality-based Flat Rate Per Diem System

All travel expenses for which Federal employees could reasonably expect reimbursement are now included in one of three general expense categories: (1) transportation, (2) subsistence, and (3) miscellaneous (mission support). There are only two basic ways to reimburse travel expenses: (1) reimbursement of actual costs incurred, and (2) payment of a prescribed allowance per day, regardless of actual costs. All other methods of reimbursement are combinations, variations, or modifications of these two basic methods. The Federal Government currently reimburses transportation and miscellaneous (mission support) expenses by the actual expense method. Subsistence expenses can be reimbursed by any one of the five following methods.

- Flat Rate Per Diem: A flat rate per diem for travel is a remarkably simple method to administer and holds administrative costs to a minimum. Previously used for all travel, this method was discontinued when cost variances between localities became pronounced, making it impractical. A per diem rate high enough to be equitable in high cost areas would be excessive for lower cost localities.

- Locality-based Flat Rate Per Diem: Currently used for most travel outside the United States, this method is almost as simple and inexpensive to administer as the flat rate per diem method. The rate is unique to a specific area and is driven by costs for lodging, meals and incidental expenses in that locality. Since the rate is unique, and as many rates as required can be established, it solves the problem of cost variances between cities or areas. This method's major disadvantage is the perception that some travelers would be paid in excess of their expenses. Another disadvantage is the need to establish and maintain different rates for a substantial number of localities. However, procedures to accomplish this task already exist in the Departments of State and Defense. These procedures could be refined and implemented by GSA.

- o Lodgings-Plus Per Diem: Currently used for most travel in the United States, this method is a combination of the limited actual expense (for lodgings) and flat rate per diem (for meals and incidental subsistence expenses) reimbursement approaches. Since the cost of lodgings is generally the least controllable type of expense, this method tends to keep costs down, frequently at the expense of the traveler. Maximum reimbursable amounts are established for both lodgings and meals. Any time expenses for either exceed its maximum, the traveler is forced to absorb the cost. The major disadvantages to this method, apart from financial strain on the traveler, are:

  - lodging receipts and a calculated average are required to verify the cost of lodgings; and

  - administrative costs are significantly higher than for either the single or locality-based flat rate methods.

- o Limited Actual Expense: This method is now used for travel to designated high cost areas in the United States and overseas. Subsistence costs which exceed the daily ceiling established for the area are absorbed by the traveler; therefore, the method promotes some degree of economy. Substantial documentation is required to verify all subsistence making administrative costs higher than for either of the per diem methods. The recent GAO report on processing travel claims indicates that the average processing costs for this method are 76% higher than for the lodgings-plus per diem method. Another disadvantage is the need to maintain procedures for establishing the rates for designated high cost areas.

- o Full Actual Expense: This was the original method used to reimburse Federal travelers; it was later rejected and is not used at present. This method is most equitable, even for unusual trips when protocol or tradition dictates that the traveler maintain presence at an acceptable but high cost location. Major disadvantages are:

- the detailed documentation required to verify costs and to resolve the question of whether expenses are reasonable;
- greater traveler inconvenience and significantly higher administrative costs; and
- adverse public reaction.

The GAO report on processing travel claims advocates that the limited actual expense method be eliminated for high cost areas and that a "two-tier" lodgings-plus per diem method be used to reimburse subsistence costs in all areas. Under this method as envisioned by GAO, a single nationwide allowance for meals and two lodging ceilings would be established. One lodging ceiling would apply to a few designated high cost areas and the other to the remainder of the country. The GAO recommendation has the advantages of:

- a single overall reimbursement method rather than two;
- responding to large differences between lodging expenses in certain localities;
- avoiding excess reimbursement for lodging expenses; and
- lower administrative costs than the limited actual expense method that it replaces.

On the other hand, the GAO recommendation penalizes travelers whose meal or lodging costs may exceed the nationwide allowance or ceiling. It also does not eliminate potential excess reimbursement for meal expenses, and results in higher administrative costs than either of the flat rate per diem methods.

> RECOMMENDATIONS: We recommend that the Administrator of General Services, the Per Diem Committee and the Secretary of State adopt the locality-based flat rate per diem method to reimburse subsistence costs for all travel. We prefer this approach over the "two-tier" lodgings-plus method because of its simplicity for travelers in computing travel advances and preparing vouchers and for voucher examiners in approving the vouchers. The locality-based flat rate per diem approach is also more responsive to variations in actual subsistence costs among

different localities and provides greater flexibility for travelers to make lodging and meal choices. The biggest disadvantage of the locality-based flat rate method is the perception that it offers travelers the opportunity for excess reimbursement if they choose to spend less for lodgings or meals than anticipated by the reimbursement rate. In response to this disadvantage, we point out that:

- According to both GAO and GSA studies, most lodging claims equal or exceed the ceilings, therefore there is little chance that the lodgings-plus method substantially saves lodging costs or prevents excess lodging reimbursement.
- The concern that many travelers stay with relatives and might pocket the lodging reimbursement appears unfounded. According to the voucher sample, almost 99% of all lodging is obtained from commercial or Government sources.
- The potential for excess meal reimbursement is equal for both the locality-based flat rate and lodgings-plus methods. However, the locality-based flat rate offers the flexibility to cover an above-standard lodging choice with a below-standard meal choice and vice versa. The lodgings-plus approach does not.

In reviewing the alternatives, and considering equity to the traveler, ease of use, and administrative costs, Project staff concluded that the locality-based flat rate per diem method is the best overall way to reimburse Federal travelers for subsistence expenses. Implementation of this system would result in administrative cost reductions of $46.1 million a year for processing travel vouchers. Transportation and miscellaneous (mission support) expenses should continue to be reimbursed by the actual expense method.

Implementation of this recommendation requires a change in the statutory maximum amount that can be reimbursed on a per diem basis. Therefore, we recommend that the Administrator of General Services and the Secretary of Defense propose legislation to increase the maximum amount reimbursable for per diem to provide room for cost growth without requiring Congressional approval for each new ceiling.

Establish a Consistent Approach to Setting Subsistence Reimbursement Rates

The Departments of Defense and State have extensive experience in establishing and maintaining locality-based reimbursement rates. Both agencies actively sample actual subsistence costs on a worldwide basis and share the basic cost data gathered. Because each agency has its own unique method of using the data to compute reimbursement rates, the rates for a given locality are likely to differ. DOD and the State Department respond very quickly to fluctuations in both actual subsistence costs and exchange rates and update some of their reimbursement rates as frequently as each month.

GSA bases its current reimbursement rates on a detailed subsistence cost study that was conducted in 1977 and has been updated six times since then based on changes in the Consumer Price Index. Since the GSA rates are not based on recent surveys of actual costs, they are not likely to approximate those costs as are the DOD and State Department rates.

> RECOMMENDATION: We recommend that the Administrator of General Services, the Per Diem Committee and the Secretary of State establish an Interagency Per Diem Committee to develop a common methodology for gathering subsistence cost data and computing locality per diem rates. The actual task of gathering the subsistence cost data should be divided among the three agencies, based on the resources available in each area. A common subsistence cost data base and methodology for computing reimbursement rates, and their use by the three agencies, could resolve many of the apparent entitlement inequities which now exist among the different categories of employees.

Agencies Should Speed Up and Simplify Voucher Processing

The travel related activity most severely criticized by Federal travelers and managers alike is the current travel voucher settlement process.

- Travelers complain that regulations are so complex and confusing that they lose money on travel--primarily because they fail to comply with administrative requirements.

- Managers complain that excessive, vague, and sometimes contradictory regulations cause increasingly longer detailed reviews and correspondingly higher administrative costs.

- Both condemn the process for its slowness and its adverse impact on employee morale. Slow payment of travel claims is cited as the most significant reason that travelers request and maintain travel advances.

In response to the Travel Management Questionnaire, 35 agencies reported that the "average" voucher required one hour or more to prepare (3 of these agencies reported as much as 4-6 hours are required for preparation of "complicated" vouchers). Most of the other agencies reported that the "average" voucher required 20 minutes to prepare.

Agencies reported that currently as much as 45 workdays elapse between submission by the traveler and payment of the "average" travel voucher. In at least one organization, the voucher moves from the traveler (and his supervisor) to the District Office; from the District Office to the Regional Office; and from the Regional Office to the Headquarters, where it is processed through an Operational Staff Control Office before moving to the payment center where the voucher examination is performed. The voucher is then returned to the traveler for explanation/justification when questions are raised by the voucher examiner. Fortunately, the traveler can return the voucher, revised as required, directly to the payment center for further processing and payment. The routing of travel vouchers in this agency is contrasted to that of another in which the traveler takes the voucher to the payment center; the voucher is examined, the amount due computed, any questions resolved, and the claim is paid before the traveler leaves the payment center.

We have previously discussed how revised entitlements, regulations and adoption of the locality-based flat rate per diem method will simplify and expedite reimbursement. There are also actions that can be taken to improve voucher processing.

Strengthen Requirements For Timely Submission of Vouchers Following Travel

Current department and agency policies on time limits for voucher submission vary widely. On the low side, 46 agencies require that vouchers be submitted within 5 working days after travel is completed (or the travel period, usually one month, ends). On the high side, 16 agencies do not require vouchers until 30 days after completion of travel. There are at least 16 agencies which set no time limits for voucher submission. Travel voucher settlement cannot begin until the traveler submits the voucher. It is therefore understandable that 8 of the 16 agencies which have no submission policy have travel advances outstanding for excessive periods of time.

> RECOMMENDATION: We recommend that travelers be required to submit travel vouchers within 5 to 7 working days after completion of a trip or completion of a travel period.

Reduce the Number of Supervisory Reviews of Travel Vouchers

Some agencies have an exceedingly high number of reviews between the traveler and the paying center while others have none, except by the secretary or clerk who types the vouchers. The GAO report, "Increased Productivity in Processing Travel Claims Can Cut Administrative Costs Significantly," cites one organization which has 10 levels of review between the traveler and the voucher examiner and three organizations which have none. Our study revealed that agencies have 3 or more levels of review except in those agencies in which computations of amount due are done at the paying center. Most organizations reported that the voucher was "approved" by the same official who authorized the travel. However, some organizations "approve" the voucher at the paying center after computations of the amount due are entered.

Confirmation that a trip was made is essential. However, for the most part, current supervisory reviews appear to be either pro forma or "nit-picking" over the kind and amount of reimbursement claimed; activities normally associated with voucher examiners. The high number of pro forma or "nit-picking" reviews adds significantly to the time and cost of voucher processing and causes many of the most severe complaints registered by travelers.

> RECOMMENDATION: We recommend that supervisory reviews of travel vouchers be limited to two; one to confirm that travel was performed as authorized, and another (if necessary) for approval by the travel authorizing authority. Supervisory review is acknowledged as an important control in preventing fraudulent claims, because supervisors are in the best position to know if the traveler took the trip that was authorized and for which expenses are claimed. However, redundant and unnecessary reviews add significantly to the time and cost of voucher processing. Not one organization

reported cost beneficial results from these reviews. Limiting supervisory reviews to a maximum of two would result in savings of more than $0.1 million a year.

Apply Sampling Techniques to Voucher Examination on a Government-wide Basis

There are several different practices and procedures employed by departments and agencies for the travel voucher examination and audit activities. In all cases, it appears that examination and audit are performed after the voucher arrives in the paying center. We found that all vouchers receive some kind of examination before payment. Many organizations have adopted sampling techniques for vouchers with claims under a specified dollar amount (this amount differs among organizations), and at least one department has a contractor perform the examination. There are, however, large numbers of organizations in which all vouchers are still examined in detail.

According to GAO, the preference for a complete prepayment audit appears to relate to a "suspicion psychology". Many voucher examiners feel that travelers are out to get all they can and see their task as one to keep this from happening. GAO reports that results do not support voucher examiners' contentions. Where data were available, the average per voucher recovery was only 30 cents. Our review supports the GAO position. Agency responses to the Travel Management Questionnaire reported a total of over $9.8 million spent by the Federal Government to prevent $4.6 million in overpayment to travelers during FY 79. This negative return on investment is, by itself, an excellent reason to make significant changes in the travel cost reimbursement process.

GAO, in its recent report on processing travel claims, indicates that voucher turnaround time can be reduced substantially through use of statistical sampling and an information system which communicates frequently made errors to travelers and supervisors. These errors can be eliminated during voucher preparation. Our findings confirm the high potential for speeding up payment of travel claims through use of statistical sampling. Over 91% of the vouchers paid during 1979 were claims for less than $500. Vouchers over $500 accounted for 9% of the vouchers, but represent over 41% of the total cost of vouchers.

> RECOMMENDATION: We recommend that statistical sampling techniques for the voucher examination process be made mandatory in all Federal paying centers. Implementation of a sampling procedure which reviews all vouchers over $500 and 20% of those under $500 would result in annual savings of $21.7 million.

Test the "Voucherless" Travel Concept on a Pilot Basis

The General Accounting Office has recognized that the current system of processing travel vouchers is not effective or economical and has proposed changes in its report "Increased Productivity in Processing Travel Claims Can Cut Administrative Costs Significantly." In this report, GAO estimates the Government spends approximately $400 million annually in processing vouchers. The cost per voucher ranges from $20.60 to $46.40, depending on the complexity. The GAO report goes on to add: "...Processing costs for flat rate reimbursement would be quite low, particularly using a voucherless approach." To highlight the negative effects of the complex reimbursement policies, the report shows that the median processing time was only one and one half vouchers per staff hour.

With the proposed locality-based flat rate per diem reimbursement policy, a "voucherless" or simplified voucher system that would account for funds and at the same time alleviate the cumbersome review, examination, and audit process, could be implemented easily. Under such a reimbursement system, the same form could be used to authorize the travel, provide for a travel advance and, after the trip, become the travel voucher. The locality-based per diem can be calculated on the form and an advance given to the traveler. Once the trip is complete, all the traveler need do is sign the form indicating that the travel was performed as stated. If there was a change in the itinerary, a part of the form could be designed to permit re-calculation and further reimbursement to the traveler or the collection of any overpayment.

On most trips, there will be incidental costs, such as taxi fares, which are not included in the per diem rate. In such cases, an incidental costs voucher or a public voucher could be submitted to a cashier and payment made immediately out of an imprest fund. The required funding information could be applied to these incidental costs vouchers, which would make it possible to aggregate the total cost of a trip.

While this proposed system does not eliminate the travel voucher, the process is simplified to the point that most of the costly administrative actions would no longer be necessary. This system also meets all of the requirements to account for travel expenditures.

> RECOMMENDATION: We recommend that the Secretary of State design and test a simplified travel expense reimbursement system which incorporates on a single form, the travel authorization, payment of travel advance and settlement of the travel costs for trips in the continental United States by members of the State Department. If the test proves that a simplified

reimbursement system is feasible, the Director, Office of Management and Budget should convene the oversight agencies and GAO to extend the use of this reimbursement system to all Federal travel.

Agencies Should Improve Travel Advance Procedures

Travelers need some method to pay for services provided to them during travel. At present, there are three general ways in which travelers pay for these services:

- Personal funds (cash or check).
- Personal or organizational charge (or credit) cards.
- Federal funds advanced for travel.

Experience and previous OMB research confirmed that few Federal employees are willing to finance trips with personal funds (either cash or credit cards) because the reimbursement process is so slow. At the same time, we identified a need to review travel advances as part of the Interagency Travel Management Improvement Project. Travel advances take two forms in the Federal Government:

> Permanent advance - Funds obtained and retained by an individual to defray expenses for trips which will be made over a period of time. Accounting and settlement for these travel advances are not required upon completion of each trip or even a series of trips.
>
> Trip-by-trip advance - Funds obtained by an individual to defray expenses during a specific trip. Accounting and settlement of these advances are required upon completion of the trip.

A section of the Travel Management Questionnaire was designed to learn the extent to which travel advances are now used, as well as policies and procedures established to control and settle these advances. Responses to the Questionnaire indicate that travel advances are used extensively by Federal travelers. Analysis of the responses indicates that both policies and procedures to control and settle travel advances need to be strengthened immediately.

Speed Up Issuance of Travel Advances

The methods by which travel advances are currently made often present problems for the traveler when large amounts are involved. Some agencies give the advance in cash; however, most advances are given in the form of Treasury checks. In either case, when the amount of cash exceeds an amount the traveler is comfortable carrying, it is either converted to travelers checks or deposited in a personal bank account.

New computer technology applied to travelers check issuing systems provides a simplified, fast and secure means to obtain travel advances without the delay and wasted effort associated with current systems. Until now, the security of travelers checks has been based on the purchaser signing his name on the checks immediately upon issue, often right at the bank teller's window, and then providing a matching signature elsewhere on the check at the time he wishes to cash it. The requirement for the matching signatures makes it difficult for lost or stolen checks to be negotiated, and provides sufficient protection to the issuing institutions so that they will guarantee replacement of the checks if lost or stolen.

The new system eliminates the need to go to the bank and to sign the checks. Instead, advance authorization to purchase travelers checks is arranged with the issuing institution. The authorization is kept on file, along with any limitations on the authorized purchase amount, and the purchaser is given a code which he can use to telephone the issuing institution directly and order the checks required. A specimen of the authorized traveler's signature is encoded in the bank's computer. When the traveler or his employer orders the checks, his signature is automatically printed on them. The presigned checks can be delivered to the traveler by Express Mail within 24 to 48 hours. The traveler has the usual travelers check protection of replacement in the event of loss or theft, and the employer is additionally protected by his ability to limit the amount that any employee is authorized to draw. The traveler can specify the denomination of checks desired, so that he may order the mix of large and small denominations that is most convenient. Additional paperwork to direct the Treasury to print the check, and the waiting period involved in the processing and delivery of the check to the traveler, would be eliminated. Trips to the bank on Government time to deposit travel advances or convert them into travelers checks would also be eliminated. Instead, a one-time authorization form, including the traveler's signature, would be transmitted by the agency to the bank for each employee authorized to travel. No further paperwork would ever again be required to initiate a travel advance or procure transportation services; the amounts authorized the employee for advances and tickets for each trip would simply be specified on the employee's travel authorization.

RECOMMENDATION: We recommend that heads of departments and agencies modify procedures for travel advances to permit payment through the use of travelers checks obtainable on a two-day notice. The gross potential for savings in administrative cost to the Government depends upon travel advance volume and frequency in the individual agency. The Government already pays the fee through reimbursements to travelers who presently purchase travelers checks; a much smaller fee (possibly zero) than the "retail" one percent (1%) can probably be negotiated for Government use. We did not collect data that would provide a means of quantifying the additional savings that could result from the associated improvement in the procedures for providing travel advances, although the savings would clearly be significant. The float, due to the purchase of travelers checks, should not add to the Government's costs, as there is a great deal of float already inherent in the present system of issuing travel advances, as addressed elsewhere in this report. Indeed, it is possible that the procedures suggested here would reduce the Government's float on outstanding travel advances. Prototype testing of the system on a small scale would be helpful for tailoring it to the requirements of individual agencies. The system would provide the agency accounting office with frequent, printed reports or instantaneous computer data on the checks ordered by each traveler. It would be a simple matter to verify that the value of the checks ordered by the employee agrees with the amount of advance authorized, the amount reported on the travel voucher, and the amount that is appropriate for the particular trip, if that amount is less than the total he or she is authorized to draw.

Strengthen Controls Over Permanent Advances

Permanent advances are made by at least 43 of the 68 departments and agencies which responded to the Travel Management Questionnaire. Generally, this type of advance is made to inspectors and grant monitors who travel several days each month and to individuals who travel with minimum notice at night or during weekends. Travel vouchers may be prepared after each trip or periodically. All or any part of the amount claimed on each voucher can be applied to reduce the travel advance or can be paid to the individual as designated by the traveler. Agencies reported a total of $22.7 million outstanding in permanent advances to individuals as of March 31, 1980, (or a specific report date selected by the agency as more convenient). Several of the agencies could not determine the number of individuals to whom permanent advances had been made and several could not report a specific amount outstanding. Agencies which maintain records reported $2.1 million of permanent advances held by individuals who had not traveled during the last 90 days prior to the report. Assuming no change in policies on the issuance of permanent advances, this amount is projected at $3.0 million for FY 1982.

> RECOMMENDATION: We believe that permanent advances should be used only for those employees who are in frequent travel status. Therefore, we recommend that departments and agencies review all permanent advances every 90 days and recall any issued to individuals who have not traveled during that 90 day period. This would reduce the travel advance float and result in short-term interest cost savings in FY 1982 of $0.3 million based on the FY 1980 average interest rate.

Strengthen Controls Over Trip-by-Trip Advances

Travel advances on a trip-by-trip basis are made by at least 54 of the 68 departments and agencies responding. Generally, this type of advance is made on request from the individual traveler and settlement is made when a travel voucher is submitted upon completion of the trip. Forty-five (45) agencies have policies which prescribe a time limit, after completion of travel, for travelers to "settle accounts" for travel advances. These time limits ranged from 3 to 120 days.

Agencies reported a total of $120 million outstanding in trip-by-trip advances as of March 31, 1980 (or a specific report date selected by the agency as more convenient). A total of $763,000 were not aged; however, those agencies which age accounts reported the following:

Advances Not Settled	Number of Travelers	Number of Trips	Amount of Oustanding Advances
0-60 days	122,678	104,247	$70,811,027
61-90 days	22,046	20,368	$20,941,114
Over 90 days	38,638	55,058	$27,452,805
TOTAL	183,362	179,673	$119,204,946

(Note: Not all agencies could specify either the number of travelers or the number trips or both. However, the amount of outstanding advances in these agencies were aged.)

Departments and agencies report that it takes up to 45 workdays to process and pay an average travel voucher. Therefore, even travelers who use personal charge (or credit) cards require travel advances or else they will be forced to finance official trips with personal funds. We believe in the principle that travelers should not have to use their own funds to travel on Government business. However, the lack of aggressive agency recovery of outstanding advances results in excess costs to the Government.

> RECOMMENDATION: We recommend that departments and agencies follow-up on travelers who do not immediately refund excess trip-by-trip advances and recover these advances from the employee's salary no later than 60 days after issue of the advance. Under reasonable voucher submission policies and voucher processing time, trip-by-trip vouchers should be paid within 60 days from the issuance of related advances. In FY 1980, $48.4 million in advances were over 60 days old. Assuming no change in travel advance policies, this amount is projected at $68.1 million in FY 1982. If the results of an Inspector General study apply Government-wide, about one-third of that amount, or $22.7 million, represented excess advances that were owed the Government. Financing this excess amount cost the Treasury $2.5 million in interest that could have been avoided if agencies had processed all travel vouchers and recovered any excess advances within 60 days.

REPORT OF THE
INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

APPENDICES

I - Project Methodology

II - Explanation of Savings Estimates

III - Federal Travel Characteristics

IV - Government-owned Passenger Carrying Aircraft

APPENDIX I

PROJECT METHODOLOGY

The Interagency Travel Management Improvement Project was established by the Director of the Office of Management and Budget on April 10, 1980. The Project was charged with examining all policies and procedures related to the travel of Federal employees and with the transportation of personal property associated with civilian agency relocations. The Project objectives were to:

- Improve management and control of travel by Federal employees;
- Reduce travel costs;
- Reduce travel-related administrative costs; and
- Improve services to travelers.

A staff of personnel from seven agencies (See Exhibit I-1) began on the Project in late April 1980. The Project report was drafted in January 1981.

The findings and recommendations of the Interagency Travel Management Improvement Project are based on three sources of information:

1. all agencies were asked to complete a Travel Management Questionnaire concerning travel by agency personnel;
2. a travel voucher sample was also obtained from all agencies which expended over $5 million in FY 1979;
3. interviews were conducted with personnel in four diverse Federal agencies, selected state, local, and foreign governments, and with various private organizations and a major labor union.

The Project staff sent the Travel Management Questionnaire to 80 departments and agencies in July 1980. The completed questionnaires from 68 agencies were reviewed and selected data were extracted and entered in a computerized travel data base. Since separate submissions were required from both agency and sub-agency organizations which individually expended more than $5 million in FY 1979, responses to a total of 117 questionnaires were ultimately included in the data base. Questionnaires were completed by the agencies and returned to the Project during September 1980. Most of the information contained in the questionnaires was based on estimates by agency managers, but occasionally samples or already existing reports were used to provide the required information.

The questionnaire served as a source of data based on direct statements made by personnel in the various agencies. Since many of the statements were based on management estimates, the data obtained through this source cannot be considered definitive or, in all cases, completely accurate. These shortcomings were carefully considered when using this source of information. While having some deficiencies, the questionnaire data do provide a wealth of information not available before, and serve to provide useful insight into the Project's second major data source, the travel voucher sample.

The travel voucher sample consists of approximately 13,000 vouchers, randomly selected from agencies which spent over $5 million in FY 1979. The instructions for drawing the sample were prepared by Project staff with technical assistance from the Census Bureau, U.S. Department of Commerce. Each organization which met the $5 million criteria was required to submit 200 vouchers. A total of 65 samples were received from 24 agencies. The travel vouchers and supporting material, such as the travel authorization and receipts, were given to an independent commercial contractor who extracted all of the pertinent information on the vouchers and prepared it in a machine readable format. This information was then entered in the travel data base.

The data obtained from the samples were weighted for agency-wide and government-wide analysis based on the relationship between the agency travel allocation (Object Classification 21) and the total travel allocation in the FY 1979 Budget of the United States. After editing to eliminate various keypunch errors and to eliminate flawed records, the more than 12,000 remaining records provided the most comprehensive source of information on U.S. Government travel ever assembled.

Interviews, conducted by the Project staff were the third data source and were intended to serve two basic purposes. The first was to examine the travel practices and policies of organizations outside the Federal Government. Interviews were conducted with representatives of foreign, state and local governments, as well as with private industry and with a major national labor union. Information gained from these interviews was used to provide a perspective on the range of travel management practices now existent outside the Federal Government.

The second phase of the interview process was concerned with providing perspective to the Project staff in their analysis of the questionnaires and voucher sample. To help staff understand the data being received through the questionnaires and voucher sample, four diverse agencies, the Department of Interior, the National Science Foundation, the Export-Import Bank, and the Interstate Commerce Commission, were selected. Intensive interviews were held with all levels from top management to individual travelers to discuss the agencies' travel management policies, practices, and problems.

The insight gained from these interviews allowed the Project staff to more fully understand the raw data gathered by the Project and to analyze it in a more realistic manner than would have been otherwise possible. During the summer of 1980, 11 policy issues were developed by the Project staff and approved by the Project Executive Committee (See Exhibit I-1). Each of these policy issues was the subject of a staff paper which then became a resource document for the Project's final report.

Exhibit I-1

PROJECT EXECUTIVE COMMITTEE

Agency	Title(1)
Office of Management and Budget	Associate Director for Management and Regulatory Policy, Chairman
General Services Administration	Commissioner, Transportation and Public Utilities Service
Department of Defense	Deputy Assistant Secretary for Supply, Maintenance and Transportation
Department of State	Assistant Secretary for Administration
Office of Personnel Management	Associate Director for Workforce Effectiveness and Development
General Accounting Office	Director of the Federal Personnel and Compensation Division

PROJECT STAFF

Agency	Name
Office of Management and Budget	Jack Kelly Bridget Glancy James E. Fitzpatrick
General Services Administration	Michael J. Dalich Ronald Taylor Robert Lanoue Lowell A. Stockdale Patricia Kidd Anna Moore
Department of Defense	Albert K. Mode Harvey Rosenthal Patricia Lemoine Clinton Clem Michael Vasilik
Department of State	Michael Newell
Department of Justice	Bonnie Halford Robert Knight
Department of Transportation	Robert Gordon Loretta McNeir
National Aeronautics and Space Administration	Benson Simon

Note: (1) During the study phase of the Project, these positions were occupied respectively by Wayne G. Granquist, Allan Beres, Paul H. Riley, Thomas M. Tracy, James M. H. Gregg and H. L. Krieger.

APPENDIX II

EXPLANATION OF SAVINGS ESTIMATES

Assumptions

1. All savings estimates are projected to FY 1982 since this is the first fiscal year in which the full impact of most of the recommendations would be felt, if implementation were to begin in the last half of FY 1981.

2. We have assumed that total travel expenditures, total airfare expenditures and the amount of outstanding travel advances will grow from FY 1979 levels at the same rate as projected program outlays. Correspondingly, we have assumed that the percentage relationships that existed among these factors in FY 1979 will remain constant through FY 1982. Therefore, the savings estimates that depend upon these factors will increase accordingly.

3. Based on the travel obligation estimates in the January 1981, Object Class Analysis Budget for Fiscal Year 1982 published by OMB, executive branch travel expenditures are expected to grow to $4.8 billion in FY 1982. Because of projected overall FY 1982 budget expenditure reductions of $44.0 billion, or 6% of the original outlay estimates, we assumed a 6% reduction in the $4.8 billion travel projection. Therefore, we have assumed a revised FY 1982 travel expenditure projection of $4.5 billion for the purpose of projecting travel cost savings.

4. We have assumed that the numbers of trips, common carrier tickets, GTRs and travel vouchers (and the savings projections that depend on those factors) will remain constant from FY 1979 through FY 1982. There are no data that relate changes in the level of travel and associated paperwork to changes in travel expenditures. Also, there are several reasons to believe that the growth in travel levels will be restrained:

    - the growth of the Federal budget and the number of Federal employees are being reduced;

    - the growth in travel funds is being held down; and

    - greater management attention is being applied to eliminating unnecessary travel.

Savings Estimates

1. Requiring travelers to make airline reservations through commercial travel offices offers potential savings of $116.2 million.

   This estimate is based on the proven ability of commercial travel offices (SATOs and travel agents) to obtain a 10% reduction in commercial airfares by making greater use of GSA contract air service and available excursion fares.

   From the travel voucher sample, we estimated that $743.1 million was spent on commercial airfares in FY 1979. This represented almost 26% of total travel expenditures. Based on our assumptions that travel expenditures will grow to $4.5 billion in FY 1982 and that commercial airfares will remain almost 26% of total travel costs, we project $1.162 billion in FY 1982 commercial airfares. Saving 10% of those fares by taking advantage of available discounts results in savings of $116.2 million.

2. Administrative costs associated with the use of Government Transportation Requests (GTRs) can be reduced by $14.8 million by expanding the use of consolidated GTRs in lieu of individual GTRs.

   Based on the Travel Management Questionnaire, 2,330,551 GTRs were issued by Government agencies in FY 1979. 98.3% of these were used to purchase single tickets, which made up 58.1% of all tickets purchased. Consolidated GTRs made up 1.5% of the GTRs issued, but accounted for 37.5% of the tickets purchased. Estimates of the cost to process a GTR are as high as $36, as cited in a study done by the Department of Justice, Drug Enforcement Administration. Another study by the Treasury Department places this cost at $12.50. We have used $10 in our estimate, even though this amount is clearly conservative. We have placed total GTR processing costs at $23,305,510 a year. Savings of $14.8 million are obtained by reducing the number of individual GTRs to 750,000 per year by FY 1982.

   In calculating this savings amount, we have assumed that DOD would be able to use LOPA procedures to pay for almost 1.4 million tickets currently paid with individual GTRs. We also assumed that the civilian agencies would use consolidated payment procedures to pay for over 700,000 tickets currently paid with individual GTRs. This would reduce the number of GTRs used by 1,477,778.

3. Adopting a locality-based flat rate per diem will result in administrative cost savings of $46.1 million.

Based on the travel voucher sample, a total of 10,145,000 vouchers were filed in FY 1979. The following types of subsistence were claimed:

a.	Actual Expenses	24%
b.	Per Diem	56%
c.	Mixed Actual & Per Diem	3%
d.	No Subsistence	17%
		100%

The General Accounting Office, in its study "Increased Productivity in Processing Travel Claims Can Cut Administrative Costs Significantly", estimates the cost of processing individual vouchers as follows:

a.	Actual Expense	$36.25
b.	Lodgings-Plus Per Diem	$20.62
c.	Mixed	$46.41
d.	No Subsistence	no estimate

The Project staff believes that the cost of a locality-based flat rate per diem will result in vouchers which are less costly to process than the present lodgings-plus vouchers since fewer computations are required. However, since the actual cost of processing locality-based flat rate per diem vouchers is unknown, our estimate of savings is based on the difference between the GAO estimates on the cost of per diem vouchers and the cost of actual expenses or mixed per diem which would not exist under a locality-based flat rate per diem system.

Elimination of Actual Expense = $38.3 million

Elimination of Mixed Vouchers = $ 7.8 million

Total Savings = $46.1 million

4. Savings of $0.1 million can be achieved by reducing the number of supervisory reviews of travel vouchers to a maximum of two.

The General Accounting Office, in its study "Increased Productivity in Processing Travel Claims Can Cut Administrative Costs Significantly" estimates that the cost of supervising reviews is:

	Cost	% of Total
Per Diem	$3.24	56%
Actual	$4.86	24%
Mixed	$6.27	3%
No Subsistence	$1.62	17%

GAO has no estimate on "no subsistence" vouchers. We have used one half the cost of a per diem voucher ($1.62). According to the responses to the Travel Management Questionnaire, multiple supervisory reviews occurred in four agencies. Those four agencies stated that they normally have three supervisory reviews. These agencies have a total of 39,344 vouchers each year. One supervisory review could be eliminated on each voucher for the savings indicated below.

Each review is estimated to cost the amount developed by GAO. The cost of one extra supervisory review is as follows:

Per Diem = 3.24 X .56 X 39344 = 71,386
Actual = 4.86 X .24 X 39344 = 45,891
Mixed = 6.27 X .03 X 39344 = 7,401
No Subsistence = 1.62 X .17 X 39344 = 10,835
TOTAL = 135,603

This total is rounded to $0.1 million.

5. Savings of $21.7 million can be achieved by utilizing a system of random sampling in the processing of travel vouchers.

The cost of voucher review as stated in a 1981 GAO report, "Increased Productivity in Processing Travel Claims Can Cut Administrative Costs Significantly" varies according to the type of assistance claimed on the voucher as follows:

Per Diem	$2.50
Actual	$4.79
Mixed	$6.39

The GAO made no cost estimate for vouchers with no subsistence. For purposes of cost estimates, we have used $1.25, which is one-half the cost for processing per diem vouchers. Total estimated vouchers, based on the travel voucher sample, is 10.1 million. Using the distribution of vouchers, by method of subsistence reimbursement found in the travel voucher sample, the following savings are possible:

Total number of vouchers identified from the sample is 10,145,000.

Actual = 24% = 2.43 million
Per Diem = 56% = 5.68 million
Mixed = 3% = .30 million
No Subsistence = 17% = 1.72 million

TOTAL 100% = 10.13 million

The sample used is assumed to be 20% of those vouchers under $500 which represent 90.57% of the total, and all of those over $500, which represent 9.43% of the total.

Actual = 2.43 million X .9057 X .80 X$4.79 = $ 8,433,661
Per Diem = 5.68 million X .9057 X .80 X$2.50 = 10,288,752
Mixed = .30 million X .9057 X .80 X$6.39 = 1,388,981
No Subsistence = 1.72 million X .9057 X .80 X$1.25 = 1,577,804

Total Savings Based on 20% Sample of Vouchers under $500 = $21,669,198

Total estimated savings are rounded to $21.7 million.

6. Savings of $2.8 million would result from improving controls over travel advances and reducing the length of time that they are outstanding.

Based on the Travel Management Questionnaire, $50.5 million in travel advances were outstanding in FY 1980 for employees who:

a. Held permanent advances ($2,148,851) and had not traveled for 90 days; and

b. Held individual trip advances ($48,393,919) which were over 60 days old.

There are two recommendations for improving controls over travel advances that will result in savings.

First, recall permanent advances from all employees who have not traveled for 90 days. Assuming that the same percent of FY 1980 travel expenditures will be outstanding in FY 1982 as permanent travel advances for persons who haven't traveled in 90 days, this FY 1982 outstanding permanent advance amount is estimated at $3,025,665. Using the FY 1980 average interest rate of 11.1%, we estimate interest cost savings in FY 1982 of $335,849, or $0.3 million by implementing this recommendation.

Second, tighten controls over trip-by-trip advances to settle all outstanding advances within 60 days. Assuming that the same percent of FY 1980 travel expenditures will be outstanding in FY 1982 as trip-by-trip advances over 60 days old, the corresponding FY 1982 outstanding trip-by-trip advance amount is estimated as $68,056,875. If the results of an Inspector General study apply Government-wide, about one-third of that amount, or $22,685,625, will represent excess advances that will be owed the Government. Financing this excess amount at the FY 1980 average interest rate of 11.1% will cost the Treasury $2.5 million in interest that could be avoided if no advances remain outstanding beyond 60 days.

APPENDIX III

FEDERAL TRAVEL CHARACTERISTICS

A major consideration leading to the Interagency Travel Management Improvement Project was the lack of reliable information on travel by Federal employees. This lack of information has been a major source of Congressional frustration in efforts to curb travel abuses and control travel expenditures. Similarly, without such information, the Office of Management and Budget, the General Services Administration and the executive branch agencies were unable to determine the budget impact of the 1980 increase in per diem and mileage allowances.

The Project has created the most comprehensive data base ever assembled on travel by Federal employees. We have grouped several of the reports generated from the travel data base under the headings of: travel cost characteristics, trip characteristics, and travel management. These reports are attached as listed below.

Travel Cost Characteristics

Exhibit No.	Report Title
III-1	Analysis of Travel Costs by Type of Expense
	Analysis of Average Voucher Costs by Purpose of Travel:
III-2	o Civilian agencies
III-3	o Military agencies
III-4	o Foreign service agencies
	Analysis of Average Voucher Costs by Mode of Travel:
III-5	o Civilian agencies
III-6	o Military agencies
III-7	o Foreign service agencies
	Distribution of Claims per Voucher in 50 Dollar Increments:
III-8	o Government-wide
III-9	o Civilian agencies
III-10	o Military agencies
III-11	o Foreign service agencies

Trip Characteristics

Exhibit No.	Report Title
III-12	Summary of Agency Travel by Purpose (from Voucher Sample)
III-13	Summary of Agency Travel by Purpose (from Questionnaire)
III-14	Analysis of Travel by Mode

Travel Management

Exhibit No.	Report Title
III-15	Summary of Methods Used to Obtain Transportation Tickets
III-16	Analysis of Outstanding Travel Advances
III-17	Travel Advance Characteristics by Agency

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Exhibit III-1

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF TRAVEL COSTS BY TYPE OF EXPENSE
(IN THOUSANDS)

GOVERNMENT-WIDE

DEPARTMENT/AGENCY:BUREAU	NUMBER OF VOUCHERS	-----COMMON CARRIER----- AIR	RAIL	BUS	GOV(GSA) COST	-POV MILEAGE-- MILES	COST	---SUBSISTENCE---- PER DIEM	ACTUAL	MISC	TOTAL
DEPT OF INTERIOR											
LAND MGT	40	4010	0	0	466	2396	279	5988	927	1350	13020
		30.79%	0.00%	0.00%	3.57%		2.14%	45.99%	7.12%	10.36%	
WPRS	20	1224	0	0	0	1634	235	2774	520	2500	7254
		16.87%	0.00%	0.00%	0.00%		3.24%	38.24%	7.16%	34.46%	
FWS	34	4116	5	0	431	2598	412	4692	327	961	10944
		37.61%	0.00%	0.04%	3.93%		3.76%	42.87%	2.99%	8.78%	
NPS	40	1707	52	0	1677	5625	898	4373	1125	1888	11720
		14.56%	0.00%	0.44%	14.30%		7.66%	37.31%	9.59%	16.10%	
GEO SUR	51	2807	25	0	563	4305	728	10494	2844	2762	20223
		13.88%	0.00%	0.12%	2.78%		3.60%	51.89%	14.06%	13.65%	
BUR IND AFF	44	5237	0	0	1815	4311	629	4292	731	957	13662
		38.33%	0.00%	0.00%	13.28%		4.60%	31.41%	5.35%	7.00%	
(OTHER INTERIOR)	18	3114	0	0	890	1693	252	1641	967	1561	8425
		36.96%	0.00%	0.00%	10.56%		2.99%	19.47%	11.47%	18.52%	
DEPARTMENT SUB-TOTAL	247	22215	82	0	5842	22562	3433	34254	7441	11979	85248
		26.05%	0.09%	0.00%	6.85%		4.02%	40.18%	8.72%	14.05%	
OFFICE OF PERSONNEL MANAGEMENT											
OPM	19	875	22	0	1137	5773	832	1693	899	372	5829
		15.01%	0.00%	0.37%	19.50%		14.27%	29.04%	15.42%	6.38%	
TENNESSEE VALLEY AUTHORITY											
TVA	51	4281	0	0	1	6388	862	3461	927	1601	11133
		38.45%	0.00%	0.00%	0.00%		7.74%	31.08%	8.32%	14.38%	

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF TRAVEL COSTS BY TYPE OF EXPENSE
(IN THOUSANDS)

GOVERNMENT-WIDE

DEPARTMENT/AGENCY:BUREAU	NUMBER OF VOUCHERS	-----COMMON CARRIER-----			GOV(GSA) COST	-POV MILEAGE--		---SUBSISTENCE----		MISC	TOTAL
		AIR	RAIL	BUS		MILES	COST	PER DIEM	ACTUAL		
AGENCY FOR INTERNATIONAL DEVELOPMENT											
AID	13	3216	0	0	22	620	105	2983	1725	6121	14173
		22.69%	0.00%	0.00%	0.15%		0.74%	21.04%	12.17%	43.18%	
ENVIRONMENTAL PROTECTION AGENCY											
EPA	63	5926	39	0	1340	3524	605	3613	2426	2250	16200
		36.58%	0.00%	0.24%	8.27%		3.73%	22.30%	14.97%	13.88%	
FEDERAL DEPOSIT INSURANCE CORPORATION											
FDIC	29	1246	32	15	0	17941	3344	4527	2025	4494	15684
		7.94%	0.09%	0.20%	0.00%		21.32%	28.86%	12.91%	28.65%	
FEDERAL HOME LOAN BANK BOARD											
FHLBB	11	191	0	0	6	8447	1416	1606	622	1430	5271
		3.62%	0.00%	0.00%	0.11%		26.86%	30.46%	11.80%	27.13%	
GENERAL SERVICES ADMINISTRATION											
GSA	30	3022	3	0	2682	2260	371	1896	1655	1291	10919
		27.67%	0.00%	0.02%	24.56%		3.39%	17.36%	15.15%	11.82%	
INTERNATIONAL COMMUNICATIONS AGENCY											
ICA	14	1585	57	3	36	810	104	3197	499	4833	10315
		15.36%	0.02%	0.55%	0.34%		1.00%	30.99%	4.83%	46.85%	
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION											
NASA	59	9334	135	0	1105	4758	792	4468	2938	2169	20941
		44.57%	0.00%	0.64%	5.27%		3.78%	21.33%	14.03%	10.35%	

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF TRAVEL COSTS BY TYPE OF EXPENSE
(IN THOUSANDS)

GOVERNMENT-WIDE

DEPARTMENT/AGENCY:BUREAU	NUMBER OF VOUCHERS	-----COMMON CARRIER-----			GOV(GSA)	-POV MILEAGE--		---SUBSISTENCE----		MISC	TOTAL
		AIR	RAIL	BUS	COST	MILES	COST	PER DIEM	ACTUAL		
SMALL BUSINESS ADMINISTRATION											
SBA	61	1551	49	0	1146	10823	1865	1785	2488	1639	10523
		14.73%	0.00%	0.46%	10.89%		17.72%	16.96%	23.64%	15.57%	
VETERANS ADMINISTRATION											
VA	259	25843	103	0	9913	43094	6631	17046	20491	14921	94947
		27.21%	0.00%	0.10%	10.44%		6.98%	17.95%	21.58%	15.71%	
ACTION											
PEACE CORPS	17	3827	34	0	16	304	47	3439	1200	3825	12388
		30.89%	0.00%	0.27%	0.12%		0.37%	27.76%	9.68%	30.87%	
(OTHER ACTION)	12	1266	8	0	407	1023	165	725	563	411	3547
		35.69%	0.00%	0.25%	11.47%		4.65%	20.44%	15.87%	11.58%	
DEPARTMENT SUB-TOTAL	29	5093	43	0	423	1327	212	4164	1763	4236	15935
		31.96%	0.27%	0.00%	2.65%		1.33%	26.13%	11.06%	26.58%	
NUCLEAR REGULATORY COMMISSION											
NRC	21	2347	1	0	171	2699	445	1904	566	973	6407
		36.63%	0.00%	0.01%	2.66%		6.94%	29.71%	8.83%	15.18%	
DEPT OF AGRICULTURE											
FHA	79	1773	0	0	1496	32857	5513	4011	777	595	14164
		12.51%	0.00%	0.00%	10.56%		38.92%	28.31%	5.48%	4.20%	
SCS	46	1269	0	0	974	3287	368	6083	781	889	10365
		12.24%	0.00%	0.00%	9.39%		3.55%	58.68%	7.53%	8.57%	
APHIS	39	3328	0	0	1147	10138	1560	6004	641	2955	15635
		21.28%	0.00%	0.00%	7.33%		9.97%	38.40%	4.10%	18.90%	

GOVERNMENT-WIDE

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF TRAVEL COSTS BY TYPE OF EXPENSE
(IN THOUSANDS)

DEPARTMENT/AGENCY:BUREAU	NUMBER OF VOUCHERS	-----COMMON CARRIER-----			GOV(GSA)	-POV MILEAGE--		---SUBSISTENCE----		MISC	TOTAL
		AIR	RAIL	BUS	COST	MILES	COST	PER DIEM	ACTUAL		
FSOS	54	741	1	0	1660	36823	5509	3478	367	5061	16817
		4.40%	0.00%	0.00%	9.87%		32.75%	20.68%	2.18%	30.09%	
FOREST SVC	268	3537	0	0	3521	31614	4174	36262	2924	9803	50220
		7.04%	0.00%	0.00%	7.01%		8.31%	52.39%	5.82%	19.51%	
(OTHER AGRICULTURE)	89	8080	0	0	2766	29861	4743	10374	2634	3108	31716
		25.50%	0.00%	0.00%	8.72%		14.95%	32.70%	8.30%	9.79%	
DEPARTMENT SUB-TOTAL	585	18738	1	0	11564	144680	21867	56212	8124	22410	138917
		13.48%	0.00%	0.00%	8.32%		15.74%	40.46%	5.84%	16.13%	
DEPT OF COMMERCE											
CENSUS	52	5473	48	0	108	17434	2787	4053	3008	2966	18452
		29.66%	0.00%	0.26%	0.58%		15.15%	21.96%	16.30%	16.07%	
NOAA	33	4219	15	0	5	5130	769	6077	1595	4570	17251
		24.45%	0.00%	0.08%	0.02%		4.45%	35.22%	9.24%	26.49%	
(OTHER COMMERCE)	28	3896	17	0	2927	3550	613	1709	1377	1987	12527
		31.10%	0.00%	0.13%	23.36%		4.89%	13.64%	10.99%	15.86%	
DEPARTMENT SUB-TOTAL	113	13588	80	0	3040	26114	4179	11839	5980	9523	48230
		28.17%	0.16%	0.00%	6.30%		8.66%	24.54%	12.39%	19.74%	
DEPT OF DEFENSE											
ARMY	3345	203256	1006	8157	20617	1460279	150411	249412	45550	110531	788940
		25.76%	1.03%	0.12%	2.61%		19.06%	31.61%	5.77%	14.01%	
NAVY	1763	90158	173	1192	13144	1034545	111828	128452	29363	78524	452872
		19.91%	0.26%	0.03%	2.90%		24.69%	28.36%	6.48%	17.33%	
AIR FORCE	1614	154563	44	1912	9820	521282	51768	167659	25362	49231	460360

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
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(IN THOUSANDS)

GOVERNMENT-WIDE

DEPARTMENT/AGENCY:BUREAU	NUMBER OF VOUCHERS	-----COMMON CARRIER----- AIR	RAIL	BUS	GOV(GSA) COST	-POV MILEAGE-- MILES	COST	---SUBSISTENCE---- PER DIEM	ACTUAL	MISC	TOTAL
		33.57%	0.41%	0.01%	2.13%		11.24%	36.41%	5.50%	10.69%	
MARINE CORPS	213	32056	20	1963	4216	173856	17663	24080	581	6986	87574
		36.60%	2.24%	0.03%	4.81%		20.16%	27.49%	0.66%	7.97%	
(OTHER DEFENSE)	147	22497	124	3375	2908	18676	2815	19411	4391	4944	60465
		37.20%	5.58%	0.20%	4.80%		4.65%	32.10%	7.26%	8.17%	
DEPARTMENT SUB-TOTAL	7082	502570	1376	16599	50705	3208648	334485	589014	105246	250216	1850211
		27.16%	0.07%	0.89%	2.74%		18.07%	31.83%	5.68%	13.52%	
DEPT OF HEALTH AND HUMAN SERVICES											
FDA	23	1905	29	7	1496	1350	198	1584	1611	1039	7868
		24.21%	0.08%	0.36%	19.01%		2.51%	20.13%	20.47%	13.20%	
HSA	54	6872	69	0	2565	7323	893	4109	3181	3946	21636
		31.76%	0.00%	0.31%	11.85%		4.12%	18.99%	14.70%	18.23%	
CDC	17	1946	0	0	139	1760	218	1303	940	1003	5549
		35.06%	0.00%	0.00%	2.50%		3.92%	23.48%	16.94%	18.07%	
NIH	32	4387	126	0	80	[illegible]	412	920	1673	2682	10280
		42.67%	0.00%	1.22%	0.77%		4.00%	8.94%	16.27%	26.08%	
SSA	83	4423	27	0	1656	16846	2823	7162	2952	3575	22618
		19.55%	0.00%	0.11%	7.32%		12.48%	31.66%	13.05%	15.80%	
HCFA	18	2763	44	0	226	1275	187	937	1003	676	5838
		47.32%	0.00%	0.75%	3.87%		3.20%	16.05%	17.18%	11.57%	
(OTHER HHS)	76	5630	29	0	610	13427	2106	4154	4586	3861	20976
		26.84%	0.00%	0.13%	2.90%		10.04%	19.80%	21.86%	18.40%	
DEPARTMENT SUB-TOTAL	303	27926	324	7	6772	45481	6837	20169	15946	16782	94765

GOVERNMENT-WIDE

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF TRAVEL COSTS BY TYPE OF EXPENSE
(IN THOUSANDS)

DEPARTMENT/AGENCY:BUREAU	NUMBER OF VOUCHERS	-----COMMON CARRIER----- AIR 29.46%	RAIL 0.34%	BUS 0.00%	GOV(GSA) COST 7.14%	-POV MILEAGE-- MILES	COST 7.21%	---SUBSISTENCE---- PER DIEM 21.28%	ACTUAL 16.82%	MISC 17.70%	TOTAL
DEPT OF HOUSING AND URBAN DEVELOPMENT											
HUD	52	2357	0	0	2266	16063	2652	4204	3396	3970	18844
		12.50%	0.00%	0.00%	12.02%		14.07%	22.30%	18.02%	21.06%	
DEPT OF JUSTICE											
FBI	28	2922	0	27	7	2657	455	3421	5187	941	12959
		22.54%	0.20%	0.00%	0.05%		3.51%	26.39%	40.02%	7.26%	
INS	41	2007	0	72	46	2923	482	3064	3068	4076	12814
		15.66%	0.56%	0.00%	0.35%		3.76%	23.91%	23.94%	31.80%	
DEA	26	3365	8	0	96	1027	165	1671	2172	957	8433
		39.90%	0.00%	0.09%	1.13%		1.95%	19.81%	25.75%	11.34%	
BUREAU OF PRISONS	16	2615	0	0	7	2506	401	1845	695	350	5912
		44.23%	0.00%	0.00%	0.11%		6.78%	31.20%	11.75%	5.92%	
(OTHER JUSTICE)	68	10747	68	0	42	5418	938	6071	4712	4956	27535
		39.03%	0.00%	0.24%	0.15%		3.40%	22.04%	17.11%	17.99%	
DEPARTMENT SUB-TOTAL	179	21656	76	99	198	14531	2441	16072	15834	11280	67653
		32.01%	0.11%	0.14%	0.29%		3.60%	23.75%	23.40%	16.67%	
DEPT OF LABOR											
ETA	43	3756	53	9	872	10191	1763	3118	2546	2837	14954
		25.11%	0.06%	0.35%	5.83%		11.78%	20.85%	17.02%	18.97%	
ESA	22	911	4	6	1205	6250	1062	657	1253	505	5603
		16.25%	0.10%	0.07%	21.50%		18.95%	11.72%	22.36%	9.01%	
OSHA	19	658	4	0	1675	4203	722	1127	834	1671	6691

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF TRAVEL COSTS BY TYPE OF EXPENSE
(IN THOUSANDS)

GOVERNMENT-WIDE

DEPARTMENT/AGENCY:BUREAU	NUMBER OF VOUCHERS	-----COMMON CARRIER----- AIR	RAIL	BUS	GOV(GSA) COST	-POV MILEAGE-- MILES	COST	---SUBSISTENCE---- PER DIEM	ACTUAL	MISC	TOTAL
		9.83%	0.00%	0.06%	25.03%		10.79%	16.84%	12.46%	24.97%	
MSHA	16	1062	0	0	1975	1022	146	2387	386	742	6698
		15.85%	0.00%	0.00%	29.48%		2.18%	35.63%	5.76%	11.07%	
(OTHER LABOR)	28	3186	36	0	632	5276	911	2174	1549	1556	10044
		31.72%	0.00%	0.35%	6.29%		9.07%	21.64%	15.42%	15.49%	
DEPARTMENT SUB-TOTAL	128	9573	97	15	6359	26842	4604	9463	6568	7311	43990
		21.76%	0.22%	0.03%	14.45%		10.46%	21.51%	14.93%	16.62%	
DEPT OF STATE											
STATE	50	20239	294	0	577	4539	683	17968	1900	10708	52370
		38.64%	0.00%	0.56%	1.10%		1.30%	34.31%	3.62%	20.44%	
DEPT OF TRANSPORTATION											
COAST GUARD	207	1089	0	0	2482	142010	14256	12542	2052	4836	37258
		2.92%	0.00%	0.00%	6.66%		38.26%	33.66%	5.50%	12.98%	
FAA	107	5620	0	0	5304	28312	3753	15990	3645	18945	53257
		10.55%	0.00%	0.00%	9.95%		7.04%	30.03%	6.84%	35.57%	
FHWA	22	2011	7	0	1003	2759	422	2414	727	882	7467
		26.93%	0.00%	0.08%	13.43%		5.66%	32.32%	9.73%	11.81%	
(OTHER TRANSPORT)	16	2139	32	6	1550	1477	230	1332	979	967	7235
		29.56%	0.08%	0.44%	21.42%		3.17%	18.41%	13.53%	13.36%	
DEPARTMENT SUB-TOTAL	352	10859	39	6	10339	174558	18661	32278	7403	25630	105217
		10.32%	0.03%	0.00%	9.82%		17.73%	30.67%	7.03%	24.35%	
DEPT OF TREASURY											
ATF	30	823	0	0	618	5061	884	1667	656	937	5585

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF TRAVEL COSTS BY TYPE OF EXPENSE
(IN THOUSANDS)

GOVERNMENT-WIDE

DEPARTMENT/AGENCY:BUREAU	NUMBER OF VOUCHERS	-----COMMON CARRIER----- AIR	RAIL	BUS	GOV(GSA) COST	-POV MILEAGE-- MILES	COST	---SUBSISTENCE---- PER DIEM	ACTUAL	MISC	TOTAL
		14.73%	0.00%	0.00%	11.06%		15.82%	28.84%	11.74%	16.77%	
CUSTOMS	22	2009	16	0	1105	3338	528	2793	2429	1195	10073
		19.94%	0.00%	0.15%	10.97%		5.24%	27.72%	24.11%	11.86%	
IRS	180	9487	79	0	2571	67102	11592	14410	13786	5924	57849
		16.40%	0.00%	0.13%	4.44%		20.03%	24.91%	23.82%	10.24%	
SECRET SERVICE	28	3575	15	0	5	2347	380	4184	641	821	9620
		37.16%	0.00%	0.15%	0.05%		3.95%	43.49%	6.66%	8.53%	
(OTHER TREASURY)	52	468	10	0	307	29976	5493	852	4426	7392	18947
		2.47%	0.00%	0.05%	1.62%		28.99%	4.49%	23.36%	39.01%	
DEPARTMENT SUB-TOTAL	312	16362	120	0	4606	107824	18877	23906	21937	16269	102074
		16.03%	0.11%	0.00%	4.51%		18.49%	23.42%	21.49%	15.93%	
DEPT OF ENERGY											
ENERGY	67	9388	30	0	1292	5456	907	7777	3162	3811	26368
		35.60%	0.00%	0.11%	4.90%		3.44%	29.49%	11.99%	14.45%	
DEPT OF EDUCATION											
EDUCATION	16	3149	12	0	12	507	83	958	1005	589	5809
		54.20%	0.00%	0.20%	0.20%		1.42%	16.49%	17.30%	10.13%	
TOTAL	10148	743130	3015	16744	121554	3907269	437293	876457	242966	436808	2877973
		25.82%	0.10%	0.58%	4.22%		15.19%	30.45%	8.44%	15.17%	

Exhibit III-2

CIVILIAN AGENCIES

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF AVERAGE VOUCHER COSTS
BY PURPOSE OF TRAVEL

		-------COMMON CARRIER-------			--POV MILEAGE---		---SUBSISTENCE---			
PURPOSE OF TRAVEL	NUMBER OF VOUCHERS	AIR	RAIL	BUS	MILES	COST	PER DIEM	ACTUAL	MISC	TOTAL
SITE VISIT	431445	99.16	0.38	0.08	114	18.61	111.53	49.83	40.55	320.17
INFORMATION MEETING	289146	135.11	0.85	0.00	90	13.77	68.25	49.68	35.34	303.02
TRAINING ATTENDANCE	207021	105.43	0.81	0.00	137	21.65	119.00	59.37	41.72	348.01
SPEECH/PRESENTATION	33203	146.18	1.89	0.00	79	13.42	53.04	55.96	26.62	297.13
CONFERENCE ATTENDCE	192357	139.59	0.51	0.03	115	18.17	68.82	76.22	36.55	339.92
RELOCATION	51678	30.19	0.00	0.00	702	75.82	218.74	29.60	337.15	691.52
ENTITLEMENT TRAVEL	6893	51.26	0.00	0.00	167	25.32	117.17	5.50	25.74	225.02
SPECIAL MISSION TRVL	38404	63.78	0.19	0.00	79	13.52	101.38	47.73	133.20	359.83
OTHER TRAVEL	109257	118.64	0.85	0.79	166	28.93	133.68	63.64	55.13	401.69
UNKNOWN*	670879	70.13	0.29	0.00	246	39.88	115.65	53.17	48.73	327.87

*Identifies those vouchers for which the purpose of travel could not be determined from the documents submitted to the Project. In most cases, this occurred when no authorization form was attached because the travel was authorized by an open or blanket travel authorization.

Exhibit III-3

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF AVERAGE VOUCHER COSTS
BY PURPOSE OF TRAVEL

MILITARY AGENCIES

PURPOSE OF TRAVEL	NUMBER OF VOUCHERS	-------COMMON CARRIER*-------			--POV MILEAGE---		---SUBSISTENCE---		MISC	TOTAL
		AIR	RAIL	BUS	MILES	COST	PER DIEM	ACTUAL		
SITE VISIT	42710	0.00	0.00	0.00	225	20.53	175.54	4.74	72.58	273.40
INFORMATION MEETING	12309	0.00	0.00	0.00	83	11.03	150.16	81.13	84.00	326.34
TRAINING ATTENDANCE	22419	0.00	0.00	0.00	358	34.64	181.08	8.80	34.78	259.31
SPEECH/PRESENTATION	5180	0.00	0.00	0.00	121	17.10	36.44	19.25	65.04	137.85
CONFERENCE ATTENDCE	17257	0.00	0.00	0.00	555	56.61	102.41	33.78	16.88	209.70
RELOCATION	51012	0.00	0.00	0.00	1492	149.37	47.54	6.46	65.42	268.81
ENTITLEMENT TRAVEL	5803	0.00	0.00	0.00	85	8.40	151.52	35.36	482.14	677.43
SPECIAL MISSION TRVL	1558	0.00	0.00	0.00	0	0.00	62.60	0.00	4.04	66.64
OTHER TRAVEL	3000	0.00	0.00	0.00	135	5.29	257.74	0.00	28.04	291.09
UNKNOWN**	44934	0.00	0.00	0.00	266	22.57	98.53	17.18	34.03	172.32

*Common carrier costs are not generally shown on DoD and Coast Guard vouchers since tickets are provided to most travelers. Therefore, no common carrier costs shows up on this analysis.

**Identifies those vouchers for which the purpose of travel could not be determined from the documents submitted to the Project. In most cases, this occurred when no authorization form was attached because the travel was authorized by an open or blanket travel authorization.

Exhibit III-4

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF AVERAGE VOUCHER COSTS
BY PURPOSE OF TRAVEL

FOREIGN SERVICE AGENCIES

PURPOSE OF TRAVEL	NUMBER OF VOUCHERS	-------COMMON CARRIER-------			--POV MILEAGE---		---SUBSISTENCE---		MISC	TOTAL
		AIR	RAIL	BUS	MILES	COST	PER DIEM	ACTUAL		
SITE VISIT	16543	319.59	2.00	0.00	48	4.99	374.25	32.70	191.96	925.51
INFORMATION MEETING	5966	315.49	0.00	0.00	92	15.61	287.90	58.70	147.45	825.18
TRAINING ATTENDANCE	3802	346.28	0.00	0.00	30	4.92	678.48	44.68	236.89	1311.27
SPEECH/PRESENTATION	3262	150.46	7.17	0.93	105	12.41	33.76	30.58	90.01	325.34
CONFERENCE ATTENDCE	4161	179.61	58.63	0.00	18	3.31	395.20	8.34	54.96	700.07
RELOCATION	2722	821.47	0.00	0.00	62	10.52	102.02	24.53	293.87	1252.44
ENTITLEMENT TRAVEL	3894	1128.27	3.55	0.00	36	6.20	214.80	53.55	726.01	2132.40
SPECIAL MISSION TRVL	3036	7.49	0.00	0.00	66	3.71	194.13	45.86	1419.28	1670.49
OTHER TRAVEL	3019	214.66	0.00	0.00	75	2.80	384.72	7.33	45.54	655.07
UNKNOWN*	16751	212.31	0.00	0.00	86	13.88	201.12	103.86	319.82	851.00

*Identifies those vouchers for which the purpose of travel could not be determined from the documents submitted to the Project. In most cases, this occurred when no authorization form was attached because the travel was authorized by an open or blanket travel authorization.

Exhibit III-5

CIVILIAN AGENCIES

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF AVERAGE VOUCHER COSTS
BY MODE OF TRAVEL

MODE OF TRAVEL	NUMBER OF VOUCHERS	-------COMMON CARRIER------- AIR	RAIL	BUS	--POV MILEAGE--- MILES	COST	---SUBSISTENCE--- PER DIEM	ACTUAL	MISC	TOTAL
COM AIR	1088062	180.56			56	9.25	94.17	78.48	60.81	423.30
GOV AIR	105783	4.63*			24	3.21	95.67	7.39	36.09	147.01
RAIL	36960		28.19		52	8.87	31.35	76.37	44.41	189.20
BUS	4881			28.83	16	2.93	65.04	132.30	34.86	263.98
POV	497937	7.83*			577	89.63	125.69	41.87	63.50	329.59
GOV	303843	5.14*			18	2.49	118.54	12.19	10.06	148.43
SHIP	516	0.00*			0	0.00	849.61	0.00	3.99	853.61
OTHER	45047	14.61*			70	9.94	134.80	35.05	34.76	229.17
MIXED	126588	143.08			234	38.13	143.46	78.83	92.54	496.04
UNKNOWN	558724	9.84*			284	46.74	24.75	8.61	43.44	133.40

*These are miscellaneous common carrier costs that have been listed under "AIR" for convenience.

Exhibit III-6

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF AVERAGE VOUCHER COSTS
BY MODE OF TRAVEL

MILITARY AGENCIES

MODE OF TRAVEL	NUMBER OF VOUCHERS	-------COMMON CARRIER------- AIR	RAIL	BUS	--POV MILEAGE--- MILES	COST	---SUBSISTENCE--- PER DIEM	ACTUAL	MISC	TOTAL
COM AIR	3418960	0.00			482	48.13	103.66	17.49	47.66	216.95
GOV AIR	1344071	0.00*			133	13.20	78.85	2.28	16.07	110.43
RAIL	48252		0.00		89	8.07	51.06	5.90	3.72	68.77
BUS	108103			0.00	389	37.84	67.90	0.00	4.64	110.38
POV	1698143	0.00*			728	77.32	83.55	25.09	49.13	235.11
GOV	239012	0.00*			21	2.42	92.25	15.52	4.80	115.01
SHIP	0	0.00*			0	0.00	0.00	0.00	0.00	0.00
OTHER	93956	0.00*			44	5.92	88.93	85.96	85.53	266.36
MIXED	453451	0.00			496	52.40	119.51	8.24	34.13	214.30
UNKNOWN	885992	0.00*			553	60.64	3.27	3.27	17.63	84.82

*These are miscellaneous common carrier costs that have been listed under "AIR" for convenience.

Exhibit III-7

FOREIGN SERVICE AGENCIES

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF AVERAGE VOUCHER COSTS
BY MODE OF TRAVEL

MODE OF TRAVEL	NUMBER OF VOUCHERS	-------COMMON CARRIER-------			--POV MILEAGE---		---SUBSISTENCE---		MISC	TOTAL
		AIR	RAIL	BUS	MILES	COST	PER DIEM	ACTUAL		
COM AIR	46710	450.25			17	2.14	359.60	63.70	235.04	1110.75
GOV AIR	2361	0.00*			24	3.48	150.76	112.16	1758.00	2024.39
RAIL	3925		79.57		22	3.81	109.83	18.76	54.23	266.22
BUS	516			5.89	0	0.00	111.98	0.00	19.13	137.01
POV	5563	0.68*			565	78.81	285.66	20.29	157.41	542.87
GOV	4141	0.00*			0	0.00	101.59	1.96	31.69	135.25
VESSEL	0	0.00*			0	0.00	0.00	0.00	0.00	0.00
OTHER	2893	193.12*			64	10.94	249.53	47.95	914.63	1416.19
MIXED	7681	454.93			105	18.40	407.87	46.21	187.63	1115.06
UNKNOWN	4237	101.69*			212	37.38	131.44	46.50	207.73	524.72

*These are miscellaneous common carrier costs that have been listed under "AIR" for convenience.

Exhibit III-8

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                              INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
GOVERNMENT-WIDE

                              DISTRIBUTION OF CLAIMS PER VOUCHER IN 50 DOLLAR INCREMENTS

   LESS THAN!                                                      -------VOUCHERS------   ----AMOUNT CLAIMED----
            !                                                      PER CENT  CUMULATIVE    PER CENT  CUMULATIVE
         $50 !XXXXXXXXXXXXXXXXXXXXXXXXXXXXXX                        30.34%     30.34%        3.92%       3.92%
        $100 !XXXXXXXXXXXXXXXXXX                                    18.46%     48.80%        6.81%      10.73%
        $150 !XXXXXXXXXXXXX                                         13.44%     62.24%        8.53%      19.26%
        $200 !XXXXXXXX                                               8.49%     70.73%        7.52%      26.78%
        $250 !XXXXXXXX                                               7.54%     78.27%        8.51%      35.29%
        $300 !XXXXXX                                                 5.63%     83.90%        7.92%      43.21%
        $350 !XXX                                                    3.18%     87.08%        5.22%      48.43%
        $400 !XX                                                     1.66%     88.74%        3.18%      51.61%
        $450 !XX                                                     1.79%     90.53%        3.92%      55.53%
        $500 !X                                                      1.41%     91.94%        3.44%      58.97%
        $550 !X                                                      1.13%     93.07%        3.03%      62.00%
        $600 !X                                                      0.85%     93.92%        2.49%      64.49%
        $650 !X                                                      0.99%     94.91%        3.16%      67.65%
        $700 !                                                       0.45%     95.36%        1.55%      69.20%
        $750 !X                                                      0.51%     95.87%        1.87%      71.07%
        $800 !X                                                      0.53%     96.40%        2.10%      73.17%
        $850 !                                                       0.39%     96.79%        1.67%      74.84%
        $900 !                                                       0.40%     97.19%        1.79%      76.63%
        $950 !                                                       0.38%     97.57%        1.83%      78.46%
       $1000 !                                                       0.08%     97.65%        0.39%      78.85%
  OVER $1000 !XX                                                     2.32%     99.97%       21.03%      99.88%
             !
             ----------------------------------------------------------------------------------------------------
                      10%       20%       30%       40%       50%       60%       70%       80%       90%       100%
                                                          X = 1 PER CENT

                              AVERAGE VOUCHER CLAIM = 195.78
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Exhibit III-9

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                                   INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
CIVILIAN AGENCIES

                                   DISTRIBUTION OF CLAIMS PER VOUCHER IN 50 DOLLAR INCREMENTS

                                                                               -------VOUCHERS------     ----AMOUNT CLAIMED----
  LESS THAN!                                                                   PER CENT   CUMULATIVE     PER CENT   CUMULATIVE
           !
       $50 !XXXXXXXXXXXXXXXXXX                                                  18.01%      18.01%         2.09%       2.09%
      $100 !XXXXXXXXXXXXXXXXXXX                                                 18.78%      36.79%         6.25%       8.34%
      $150 !XXXXXXXXXXXXXXXX                                                    15.66%      52.45%         8.65%      16.99%
      $200 !XXXXXXXXXXXXX                                                       13.25%      65.70%        10.23%      27.22%
      $250 !XXXXXXXX                                                             7.85%      73.55%         7.86%      35.08%
      $300 !XXXXXX                                                               5.78%      79.33%         7.10%      42.18%
      $350 !XXXX                                                                 4.49%      83.82%         6.48%      48.66%
      $400 !XX                                                                   2.46%      86.28%         4.11%      52.77%
      $450 !XX                                                                   2.27%      88.55%         4.31%      57.08%
      $500 !XX                                                                   1.67%      90.22%         3.55%      60.63%
      $550 !XX                                                                   1.77%      91.99%         4.16%      64.79%
      $600 !X                                                                    1.24%      93.23%         3.18%      67.97%
      $650 !X                                                                    1.23%      94.46%         3.44%      71.41%
      $700 !X                                                                    0.76%      95.22%         2.30%      73.71%
      $750 !X                                                                    0.52%      95.74%         1.71%      75.42%
      $800 !X                                                                    0.55%      96.29%         1.90%      77.32%
      $850 !X                                                                    0.56%      96.85%         2.09%      79.41%
      $900 !                                                                     0.36%      97.21%         1.43%      80.84%
      $950 !                                                                     0.37%      97.58%         1.55%      82.39%
     $1000 !                                                                     0.27%      97.85%         1.20%      83.59%
OVER $1000 !XX                                                                   2.23%     100.08%        16.32%      99.91%
           !
           -----------------------------------------------------------------------------------------------------------------
                    10%        20%        30%        40%        50%        60%        70%        80%        90%       100%

                                                       X = 1 PER CENT

                                   AVERAGE VOUCHER CLAIM = 222.99
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Exhibit III-10

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MILITARY AGENCIES             INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

                              DISTRIBUTION OF CLAIMS PER VOUCHER IN 50 DOLLAR INCREMENTS

                                                                       -------VOUCHERS------   ----AMOUNT CLAIMED----
   LESS THAN|                                                          PER CENT   CUMULATIVE   PER CENT   CUMULATIVE
            |
        $50 |XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX                        35.22%      35.22%       4.91%       4.91%
       $100 |XXXXXXXXXXXXXXXXXX                                         18.42%      53.64%       7.29%      12.20%
       $150 |XXXXXXXXXXXXX                                              12.62%      66.26%       8.73%      20.93%
       $200 |XXXXXXX                                                     6.68%      72.94%       6.46%      27.39%
       $250 |XXXXXXX                                                     7.45%      80.39%       9.08%      36.47%
       $300 |XXXXXX                                                      5.59%      85.98%       8.54%      45.01%
       $350 |XXX                                                         2.67%      88.65%       4.75%      49.76%
       $400 |X                                                           1.33%      89.98%       2.77%      52.53%
       $450 |XX                                                          1.59%      91.57%       3.79%      56.32%
       $500 |X                                                           1.28%      92.85%       3.40%      59.72%
       $550 |X                                                           0.87%      93.72%       2.54%      62.26%
       $600 |X                                                           0.68%      94.40%       2.16%      64.42%
       $650 |X                                                           0.88%      95.28%       3.06%      67.48%
       $700 |                                                            0.33%      95.61%       1.22%      68.70%
       $750 |                                                            0.49%      96.10%       1.94%      70.64%
       $800 |X                                                           0.51%      96.61%       2.19%      72.83%
       $850 |                                                            0.33%      96.94%       1.53%      74.36%
       $900 |                                                            0.41%      97.35%       1.98%      76.34%
       $950 |                                                            0.38%      97.73%       1.95%      78.29%
      $1000 |                                                            0.00%      97.73%       0.00%      78.29%
OVER  $1000 |XX                                                          2.21%      99.94%      21.63%      99.92%
            |
            -------------------------------------------------------------------------------------------------
                     10%       20%       30%       40%       50%       60%       70%       80%       90%      100%

                                             X = 1 PER CENT

                              AVERAGE VOUCHER CLAIM = 180.54
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Exhibit III-11

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                                 INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
FOREIGN SERVICE AGENCIES

                                  DISTRIBUTION OF CLAIMS PER VOUCHER IN 50 DOLLAR INCREMENTS

                                                                               -------VOUCHERS------   ----AMOUNT CLAIMED----
                                                                               PER CENT   CUMULATIVE   PER CENT   CUMULATIVE
   LESS THAN!
            !
         $50 !XXXXXXXXXXXXX                                                     12.81%      12.81%       0.59%       0.59%
        $100 !XXXXXXXXXX                                                        10.44%      23.25%       1.20%       1.79%
        $150 !XXXXXXXXXX                                                        10.31%      33.56%       1.97%       3.76%
        $200 !XXXXXXXX                                                           8.08%      41.64%       2.15%       5.91%
        $250 !XXXXX                                                              5.02%      46.66%       1.71%       7.62%
        $300 !XXXX                                                               4.41%      51.07%       1.85%       9.47%
        $350 !XXXX                                                               4.11%      55.18%       2.02%      11.49%
        $400 !XXXX                                                               4.20%      59.38%       2.42%      13.91%
        $450 !XXXX                                                               3.62%      63.00%       2.36%      16.27%
        $500 !XXXXX                                                              4.63%      67.63%       3.36%      19.63%
        $550 !XXX                                                                2.60%      70.23%       2.11%      21.74%
        $600 !XXX                                                                3.11%      73.34%       2.71%      24.45%
        $650 !XXX                                                                2.59%      75.93%       2.44%      26.89%
        $700 !X                                                                  0.89%      76.82%       0.91%      27.80%
        $750 !XX                                                                 1.80%      78.62%       1.97%      29.77%
        $800 !XX                                                                 1.89%      80.51%       2.22%      31.99%
        $850 !                                                                   0.29%      80.80%       0.37%      32.36%
        $900 !X                                                                  0.80%      81.60%       1.08%      33.44%
        $950 !XX                                                                 1.61%      83.21%       2.28%      35.72%
       $1000 !X                                                                  0.60%      83.81%       0.89%      36.61%
  OVER $1000 !XXXXXXXXXXXXXXXX                                                  16.40%     100.21%      63.29%      99.90%
             !
             ----------------------------------------------------------------------------------------------------------------
                      10%        20%        30%        40%        50%        60%        70%        80%        90%        100%

                                                          X = 1 PER CENT

                                        :AVERAGE VOUCHER CLAIM = 655.10
```

Exhibit III-12

GOVERNMENT-WIDE

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
SUMMARY OF AGENCY TRAVEL BY PURPOSE
(FROM VOUCHER SAMPLE)

DEPARTMENT/AGENCY:BUREAU	SITE VISITS	INFORMATION MEETING	TRAINING ATTENDANCE	SPEECH OR PRESENTATION	CONFERENCE ATTENDANCE	RELOCATION	ENTITLEMENT TRAVEL	SPECIAL MISSION	OTHER	UNKNOWN*	TOTAL
DEPT OF INTERIOR											
LAND MGT	10706	18180	3434		2626				1010	4242	40198
	26.63%	45.22%	8.54%	0.00%	6.53%	0.00%	0.00%	0.00%	2.51%	10.55%	
WPRS	10815	1751	2266	103	1133	824	0	412	206	2369	19879
	54.40%	8.80%	11.39%	0.51%	5.69%	4.14%	0.00%	2.07%	1.03%	11.91%	
FWS	5848	2408	3096	172	1548	0	0	0	860	20296	34228
	17.08%	7.03%	9.04%	0.50%	4.52%	0.00%	0.00%	0.00%	2.51%	59.29%	
NPS	10302	4242	10302	0	4848	202	0	3838	0	6262	39996
	25.75%	10.60%	25.75%	0.00%	12.12%	0.50%	0.00%	9.59%	0.00%	15.65%	
GEO SUR	40186	3113	1981	0	3396	283	0	0	1415	1132	51506
	78.02%	6.04%	3.84%	0.00%	6.59%	0.54%	0.00%	0.00%	2.74%	2.19%	
BUR IND AFF	7520	9165	6110	1410	5640	235	235	235	6815	6345	43710
	17.20%	20.96%	13.97%	3.22%	12.90%	0.53%	0.53%	0.53%	15.59%	14.51%	
(OTHER INTERIOR)	4224	2016	960	288	1632	672	0	1344	96	6720	17952
	23.52%	11.22%	5.34%	1.60%	9.09%	3.74%	0.00%	7.48%	0.53%	37.43%	
DEPARTMENT SUB-TOTAL	89601	40875	28149	1973	20823	2216	235	5829	10402	47366	247469
	36.20%	16.51%	11.37%	0.79%	8.41%	0.89%	0.09%	2.35%	4.20%	19.14%	

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GOVERNMENT-WIDE

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
SUMMARY OF AGENCY TRAVEL BY PURPOSE
(FROM VOUCHER SAMPLE)

DEPARTMENT/AGENCY:BUREAU	SITE VISITS	INFOR-MATION MEETING	TRAINING ATTEND-ANCE	SPEECH OR PRESENT-ATION	CONFERENCE ATTEND-ANCE	RELOCA-TION	ENTITLE-MENT TRAVEL	SPECIAL MISSION	OTHER	UNKNOWN*	TOTAL
OFFICE OF PERSONNEL MANAGEMENT											
OPM	5529	679	582	97	1649	0	0	97	485	9700	18818
	29.38%	3.60%	3.09%	0.51%	8.76%	0.00%	0.00%	0.51%	2.57%	51.54%	
TENNESSEE VALLEY AUTHORITY											
TVA	18850	11890	6380	870	9860	0	0	0	2900	0	50750
	37.14%	23.42%	12.57%	1.71%	19.42%	0.00%	0.00%	0.00%	5.71%	0.00%	
AGENCY FOR INTERNATIONAL DEVELOPMENT											
AID	2262	1404	702	0	624	156	234	78	546	7488	13494
	16.76%	10.40%	5.20%	0.00%	4.62%	1.15%	1.73%	0.57%	4.04%	55.49%	
ENVIRONMENTAL PROTECTION AGENCY											
EPA	16200	18468	2268	2268	5508	0	0	324	7776	9720	62532
	25.90%	29.53%	3.62%	3.62%	8.80%	0.00%	0.00%	0.51%	12.43%	15.54%	
FEDERAL DEPOSIT INSURANCE CORPORATION											
FDIC	740	148	2516	0	2516	0	0	0	13320	10064	29304
	2.52%	0.50%	8.58%	0.00%	8.58%	0.00%	0.00%	0.00%	45.45%	34.34%	
FEDERAL HOME LOAN BANK BOARD											

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GOVERNMENT-WIDE

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
SUMMARY OF AGENCY TRAVEL BY PURPOSE
(FROM VOUCHER SAMPLE)

DEPARTMENT/AGENCY:BUREAU	SITE VISITS	INFOR-MATION MEETING	TRAINING ATTEND-ANCE	SPEECH OR PRESENT-ATION	CONFERENCE ATTEND-ANCE	RELOCA-TION	ENTITLE-MENT TRAVEL	SPECIAL MISSION	OTHER	UNKNOWN*	TOTAL
FHLBB	413	295	295	59	413	59	0	118	0	9558	11210
	3.68%	2.63%	2.63%	0.52%	3.68%	0.52%	0.00%	1.05%	0.00%	85.26%	
GENERAL SERVICES ADMINISTRATION											
GSA	16168	2064	3784	172	1032	172	0	1032	4300	1204	29928
	54.02%	6.89%	12.64%	0.57%	3.44%	0.57%	0.00%	3.44%	14.36%	4.02%	
INTERNATIONAL COMMUNICATIONS AGENCY											
ICA	740	740	296	148	814	74	0	1554	1924	8140	14430
	5.12%	5.12%	2.05%	1.02%	5.64%	0.51%	0.00%	10.76%	13.33%	56.41%	
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION											
NASA	26535	19520	610	1830	5185	305	0	915	610	3050	58560
	45.31%	33.33%	1.04%	3.12%	8.85%	0.52%	0.00%	1.56%	1.04%	5.20%	
SMALL BUSINESS ADMINISTRATION											
SBA	8235	8235	5490	915	5490	305	305	610	5490	25620	60695
	13.56%	13.56%	9.04%	1.50%	9.04%	0.50%	0.50%	1.00%	9.04%	42.21%	
VETERANS ADMINISTRATION											
VA	39150	28350	55350	13500	54000	20250	0	0	4050	44550	259200
	15.10%	10.93%	21.35%	5.20%	20.83%	7.81%	0.00%	0.00%	1.56%	17.18%	

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GOVERNMENT-WIDE

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
SUMMARY OF AGENCY TRAVEL BY PURPOSE
(FROM VOUCHER SAMPLE)

DEPARTMENT/AGENCY:BUREAU	SITE VISITS	INFORMATION MEETING	TRAINING ATTENDANCE	SPEECH OR PRESENTATION	CONFERENCE ATTENDANCE	RELOCATION	ENTITLEMENT TRAVEL	SPECIAL MISSION	OTHER	UNKNOWN*	TOTAL
ACTION											
PEACE CORPS	4257	2772	990	0	792	99	198	0	2475	5940	17523
	24.29%	15.81%	5.64%	0.00%	4.51%	0.56%	1.12%	0.00%	14.12%	33.89%	
(OTHER ACTION)	9000	240	360	60	1980	0	0	0	0	360	12000
	75.00%	2.00%	3.00%	0.50%	16.50%	0.00%	0.00%	0.00%	0.00%	3.00%	
DEPARTMENT SUB-TOTAL	13257	3012	1350	60	2772	99	198	0	2475	6300	29523
	44.90%	10.20%	4.57%	0.20%	9.38%	0.33%	0.67%	0.00%	8.38%	21.33%	
NUCLEAR REGULATORY COMMISSION											
NRC	9288	3780	1620	108	1620	108	324	216	1296	2916	21276
	43.65%	17.76%	7.61%	0.50%	7.61%	0.50%	1.52%	1.01%	6.09%	13.70%	
DEPT OF AGRICULTURE											
FHA	15741	954	4293	0	6201	0	0	0	0	51516	78705
	20.00%	1.21%	5.45%	0.00%	7.87%	0.00%	0.00%	0.00%	0.00%	65.45%	
SCS	2466	9042	3836	0	6028	1096	0	0	2192	21646	46306
	5.32%	19.52%	8.28%	0.00%	13.01%	2.36%	0.00%	0.00%	4.73%	46.74%	
APHIS	1638	2340	2340	0	2106	702	0	234	468	29250	39078

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GOVERNMENT-WIDE

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
SUMMARY OF AGENCY TRAVEL BY PURPOSE
(FROM VOUCHER SAMPLE)

DEPARTMENT/AGENCY:BUREAU	SITE VISITS	INFOR-MATION MEETING	TRAINING ATTEND-ANCE	SPEECH OR PRESENT-ATION	CONFERENCE ATTEND-ANCE	RELOCA-TION	ENTITLE-MENT TRAVEL	SPECIAL MISSION	OTHER	UNKNOWN*	TOTAL
	4.19%	5.98%	5.98%	0.00%	5.38%	1.79%	0.00%	0.89%	1.19%	74.85%	
FSQS	1968	328	0	0	0	0	0	0	0	51496	53792
	3.65%	0.60%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	95.73%	
FOREST SVC	19404	12936	14553	0	3234	8085	1617	0	0	208593	268422
	7.22%	4.81%	5.42%	0.00%	1.20%	3.01%	0.60%	0.00%	0.00%	77.71%	
(OTHER AGRICULTURE)	7917	11571	3045	608	8526	0	0	1218	1827	64554	99267
	7.97%	11.65%	3.06%	0.61%	8.58%	0.00%	0.00%	1.22%	1.84%	65.03%	
DEPARTMENT SUB-TOTAL	49134	37171	28067	608	26095	9883	1617	1452	-4487	427055	585570
	8.39%	6.34%	4.79%	0.10%	4.45%	1.68%	0.27%	0.24%	0.76%	72.92%	
DEPT OF COMMERCE											
CENSUS	2412	1340	804	0	804	0	268	0	0	46096	51724
	4.66%	2.59%	1.55%	0.00%	1.55%	0.00%	0.51%	0.00%	0.00%	89.11%	
NOAA	10458	7636	2324	332	4482	498	0	0	4482	2490	32702
	31.97%	23.35%	7.10%	1.01%	13.70%	1.52%	0.00%	0.00%	13.70%	7.61%	
(OTHER COMMERCE)	5304	8568	680	680	4896	0	272	408	2312	4760	27880
	19.02%	30.73%	2.43%	2.43%	17.56%	0.00%	0.97%	1.46%	8.29%	17.07%	
DEPARTMENT SUB-TOTAL	18174	17544	3808	1012	10182	498	540	408	6794	53346	112306

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GOVERNMENT-WIDE

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
SUMMARY OF AGENCY TRAVEL BY PURPOSE
(FROM VOUCHER SAMPLE)

DEPARTMENT/AGENCY:BUREAU	SITE VISITS	INFOR-MATION MEETING	TRAINING ATTEND-ANCE	SPEECH OR PRESENT-ATION	CONFERENCE ATTEND-ANCE	RELOCA-TION	ENTITLE-MENT TRAVEL	SPECIAL MISSION	OTHER	UNKNOWN*	TOTAL
	16.18%	15.62%	3.39%	0.90%	8.06%	0.44%	0.48%	0.36%	6.04%	47.80%	
DEPT OF DEFENSE											
ARMY	1247466	56703	529228	0	151208	831644	0	56703	37802	434723	3345477
	37.28%	1.69%	15.81%	0.00%	4.51%	24.85%	0.00%	1.69%	1.12%	12.99%	
NAVY	313854	92310	129234	9231	110772	313854	9231	9231	129234	646170	1763121
	17.80%	5.23%	7.32%	0.52%	6.28%	17.80%	0.52%	0.52%	7.32%	36.64%	
AIR FORCE	360288	195156	225180	67554	105084	157626	37530	37530	142614	285228	1613790
	22.32%	12.09%	13.95%	4.18%	6.51%	9.76%	2.32%	2.32%	8.83%	17.67%	
MARINE CORPS	22440	3366	7854	1122	5610	81906	0	3366	14586	72930	213180
	10.52%	1.57%	3.68%	0.52%	2.63%	38.42%	0.00%	1.57%	6.84%	34.21%	
(OTHER DEFENSE)	59778	30996	13284	4428	11070	0	738	2952	3690	19926	146862
	40.70%	21.10%	9.04%	3.01%	7.53%	0.00%	0.50%	2.01%	2.51%	13.56%	
DEPARTMENT SUB-TOTAL	2003826	378531	904780	82335	383744	1385030	47499	109782	327926	1458977	7082430
	28.29%	5.34%	12.77%	1.16%	5.41%	19.55%	0.67%	1.55%	4.63%	20.59%	
DEPT OF HEALTH AND HUMAN SERVICES											
FDA	5700	6042	1938	228	3534	0	0	798	1710	2964	22914
	24.87%	26.36%	8.45%	0.99%	15.42%	0.00%	0.00%	3.48%	7.46%	12.93%	

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GOVERNMENT-WIDE

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
SUMMARY OF AGENCY TRAVEL BY PURPOSE
(FROM VOUCHER SAMPLE)

DEPARTMENT/AGENCY:BUREAU	SITE VISITS	INFOR-MATION MEETING	TRAINING ATTEND-ANCE	SPEECH OR PRESENT-ATION	CONFERENCE ATTEND-ANCE	RELOCA-TION	ENTITLE-MENT TRAVEL	SPECIAL MISSION	OTHER	UNKNOWN*	TOTAL
HSA	12013	18752	3809	1758	5274	2051	293	0	586	9083	53619
	22.40%	34.97%	7.10%	3.27%	9.83%	3.82%	0.54%	0.00%	1.09%	16.93%	
CDC	6237	4536	1215	486	1944	0	0	0	1296	1053	16767
	37.19%	27.05%	7.24%	2.89%	11.59%	0.00%	0.00%	0.00%	7.72%	6.28%	
NIH	4564	9454	2119	1630	3912	0	2606	1141	1956	4238	31622
	14.43%	29.89%	6.70%	5.15%	12.37%	0.00%	8.24%	3.60%	6.18%	13.40%	
SSA	8551	15593	9557	503	6539	1006	503	503	20623	20120	83498
	10.24%	18.67%	11.44%	0.60%	7.83%	1.20%	0.60%	0.60%	24.69%	24.09%	
HCFA	4488	6512	704	880	2992	352	0	0	440	1232	17600
	25.50%	37.00%	4.00%	5.00%	17.00%	2.00%	0.00%	0.00%	2.50%	7.00%	
(OTHER HHS)	15600	6630	8190	1170	2730	780	780	2340	9360	28470	76050
	20.51%	8.71%	10.76%	1.53%	3.58%	1.02%	1.02%	3.07%	12.30%	37.43%	
DEPARTMENT SUB-TOTAL	57153	67519	27532	6655	26925	4189	4184	4782	35971	67160	302070
	18.92%	22.35%	9.11%	2.20%	8.91%	1.38%	1.38%	1.58%	11.90%	22.23%	
DEPT OF HOUSING AND URBAN DEVELOPMENT											
HUD	3003	273	546	0	273	273	0	2184	0	45581	52143
	5.75%	0.52%	1.04%	0.00%	0.52%	0.52%	0.00%	4.18%	0.00%	87.43%	

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GOVERNMENT-WIDE

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
SUMMARY OF AGENCY TRAVEL BY PURPOSE
(FROM VOUCHER SAMPLE)

DEPARTMENT/AGENCY:BUREAU	SITE VISITS	INFOR-MATION MEETING	TRAINING ATTEND-ANCE	SPEECH OR PRESENT-ATION	CONFERENCE ATTEND-ANCE	RELOCA-TION	ENTITLE-MENT TRAVEL	SPECIAL MISSION	OTHER	UNKNOWN*	TOTAL
DEPT OF JUSTICE											
FBI	8094	142	710	0	426	0	0	142	710	17608	27832
	29.08%	0.51%	2.55%	0.00%	1.53%	0.00%	0.00%	0.51%	2.55%	63.26%	
INS	5382	2070	9315	621	2070	621	207	7659	8901	4554	41400
	13.00%	5.00%	22.50%	1.50%	5.00%	1.50%	0.50%	18.50%	21.50%	11.00%	
DEA	4920	1968	1804	0	3116	0	0	492	4582	9020	25912
	18.99%	7.59%	6.96%	0.00%	12.02%	0.00%	0.00%	1.89%	17.72%	34.81%	
BUREAU OF PRISONS	3306	2001	5394	0	3306	0	0	870	348	1044	16269
	20.32%	12.29%	33.15%	0.00%	20.32%	0.00%	0.00%	5.34%	2.13%	6.41%	
(OTHER JUSTICE)	24768	14448	1376	3784	5504	0	0	0	4816	13416	68112
	36.36%	21.21%	2.02%	5.55%	8.08%	0.00%	0.00%	0.00%	7.07%	19.69%	
DEPARTMENT SUB-TOTAL	46470	20629	18599	4405	14422	621	207	9163	19367	45642	179525
	25.88%	11.49%	10.36%	2.45%	8.03%	0.34%	0.11%	5.10%	10.78%	25.42%	
DEPT OF LABOR											
ETA	22236	5232	5886	872	6540	0	0	436	1080	436	427[illegible]8
	52.04%	12.24%	13.77%	2.04%	15.30%	0.00%	0.00%	1.02%	2.55%	1.02%	

*Identifies those vouchers for which the purpose of travel could not be determined from the documents submitted to the Project. In most cases, this occurred when no authorization form was attached because the travel was authorized by an open or blanket travel authorization.

GOVERNMENT-WIDE

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
SUMMARY OF AGENCY TRAVEL BY PURPOSE
(FROM VOUCHER SAMPLE)

DEPARTMENT/AGENCY:BUREAU	SITE VISITS	INFORMATION MEETING	TRAINING ATTENDANCE	SPEECH OR PRESENTATION	CONFERENCE ATTENDANCE	RELOCATION	ENTITLEMENT TRAVEL	SPECIAL MISSION	OTHER	UNKNOWN*	TOTAL
ESA	3658	1416	826	118	1534	0	0	118	0	14396	22066
	16.57%	6.41%	3.74%	0.53%	6.95%	0.00%	0.00%	0.53%	0.00%	65.24%	
OSHA	8712	594	2871	198	1584	396	198	2475	0	1881	18909
	46.07%	3.14%	15.18%	1.04%	8.37%	2.09%	1.04%	13.09%	0.00%	9.94%	
MSHA	7104	740	2812	148	370	148	0	148	3996	148	15614
	45.49%	4.73%	18.00%	0.94%	2.36%	0.94%	0.00%	0.94%	25.59%	0.94%	
(OTHER LABOR)	5796	1134	504	378	2772	0	0	1386	126	16254	28350
	20.44%	4.00%	1.77%	1.33%	9.77%	0.00%	0.00%	4.89%	0.44%	57.33%	
DEPARTMENT SUB-TOTAL	47506	9116	12899	1714	12800	544	198	4563	5212	33115	127667
	37.21%	7.14%	10.10%	1.34%	10.02%	0.42%	0.15%	3.57%	4.08%	25.93%	
DEPT OF STATE											
STATE	15912	4680	4056	3432	3432	2808	4056	1560	1248	9048	50232
	31.67%	9.31%	8.07%	6.83%	6.83%	5.59%	8.07%	3.10%	2.48%	18.01%	
DEPT OF TRANSPORTATION											
COAST GUARD	36120	8256	21672	2064	14448	56760	2064	0	2064	63984	207432
	17.41%	3.98%	10.44%	0.99%	6.96%	27.36%	0.99%	0.00%	0.99%	30.84%	
FAA	3738	1068	22428	534	0	17088	0	6942	1068	54468	107334

*Identifies those vouchers for which the purpose of travel could not be determined from the documents submitted to the Project. In most cases, this occurred when no authorization form was attached because the travel was authorized by an open or blanket travel authorization.

GOVERNMENT-WIDE

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
SUMMARY OF AGENCY TRAVEL BY PURPOSE
(FROM VOUCHER SAMPLE)

DEPARTMENT/AGENCY:BUREAU	SITE VISITS	INFOR-MATION MEETING	TRAINING ATTEND-ANCE	SPEECH OR PRESENT-ATION	CONFERENCE ATTEND-ANCE	RELOCA-TION	ENTITLE-MENT TRAVEL	SPECIAL MISSION	OTHER	UNKNOWN*	TOTAL
	3.48%	0.89%	20.89%	0.48%	0.00%	15.92%	0.00%	6.46%	0.99%	50.74%	
FHWA	9072	5940	1728	432	2808	108	0	0	648	864	21600
	42.00%	27.50%	8.00%	2.00%	13.00%	0.50%	0.00%	0.00%	3.00%	4.00%	
(OTHER TRANSPORT)	5850	2652	1014	546	1560	78	0	312	1560	2262	15834
	36.94%	16.74%	6.40%	3.44%	9.85%	0.49%	0.00%	1.97%	9.85%	14.28%	
DEPARTMENT SUB-TOTAL	54780	17816	46842	3576	18816	74034	2064	7254	5340	121678	352200
	15.55%	5.06%	13.29%	1.01%	5.34%	21.02%	0.58%	2.06%	1.51%	34.51%	
DEPT OF TREASURY											
ATF	1773	197	197	0	197	0	0	384	0	27186	29944
	5.92%	0.65%	0.65%	0.00%	0.65%	0.00%	0.00%	1.31%	0.00%	90.78%	
CUSTOMS	4080	720	3360	0	2280	120	0	840	480	9840	21720
	18.78%	3.31%	15.46%	0.00%	10.49%	0.55%	0.00%	3.86%	2.20%	45.30%	
IRS	3165	4220	7385	0	1055	0	0	0	2110	162470	180405
	1.75%	2.33%	4.09%	0.00%	0.58%	0.00%	0.00%	0.00%	1.16%	90.05%	
SECRET SERVICE	432	0	576	0	144	0	0	1008	144	26064	28368
	1.52%	0.00%	2.03%	0.00%	0.50%	0.00%	0.00%	3.55%	0.50%	91.87%	

*Identifies those vouchers for which the purpose of travel could not be determined from the documents submitted to the Project. In most cases, this occurred when no authorization form was attached because the travel was authorized by an open or blanket travel authorization.

GOVERNMENT-WIDE

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
SUMMARY OF AGENCY TRAVEL BY PURPOSE
(FROM VOUCHER SAMPLE)

DEPARTMENT/AGENCY:BUREAU	SITE VISITS	INFOR-MATION MEETING	TRAINING ATTEND-ANCE	SPEECH OR PRESENT-ATION	CONFERENCE ATTEND-ANCE	RELOCA-TION	ENTITLE-MENT TRAVEL	SPECIAL MISSION	OTHER	UNKNOWN*	TOTAL
(OTHER TREASURY)	8742	848	1974	0	3102	282	0	1410	0	35532	51888
	16.84%	1.63%	3.80%	0.00%	5.97%	0.54%	0.00%	2.71%	0.00%	68.47%	
DEPARTMENT SUB-TOTAL	18182	5983	13482	0	6778	402	0	3652	2734	261082	312225
	5.82%	1.91%	4.31%	0.00%	2.17%	0.12%	0.00%	1.16%	0.87%	83.59%	
DEPT OF ENERGY											
ENERGY	26448	16008	1392	696	5916	348	0	0	3480	12876	67164
	39.37%	23.83%	2.07%	1.03%	8.80%	0.51%	0.00%	0.00%	5.18%	19.17%	
DEPT OF EDUCATION											
EDUCATION	1335	6052	1068	445	3827	89	0	0	2136	623	15575
	8.57%	38.85%	6.85%	2.85%	24.57%	0.57%	0.00%	0.00%	13.71%	4.00%	
TOTAL	2588901	714830	1172473	126879	625516	1502463	61661	155873	470269	2721779	10146396
	25.51%	7.04%	11.55%	1.25%	6.16%	14.80%	0.60%	1.53%	4.63%	26.82%	

*Identifies those vouchers for which the purpose of travel could not be determined from the documents submitted to the Project. In most cases, this occurred when no authorization form was attached because the travel was authorized by an open or blanket travel authorization.

GOVERNMENT-WIDE

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
SUMMARY OF AGENCY TRAVEL BY PURPOSE
(FROM QUESTIONNAIRE)

DEPARTMENT/AGENCY:BUREAU	SITE VISITS	INFOR-MATION MEETING	TRAINING ATTEND-ANCE	SPEECH OR PRESENT-ATION	CONFERENCE ATTEND-ANCE	RELOCA-TION	ENTITLE-MENT TRAVEL	SPECIAL MISSION	OTHER	TOTAL
INTERIOR	%	%	%	%	%	%	%	%	%	0%
LAND MGT	85%	4%	5%	1%	1%	2%	1%	0%	1%	100%
WPRS	78%	4%	9%	.8%	2%	4%	.2%	0%	2%	100%
FWS	56.7%	12.3%	7%	2%	7.6%	1%	.2%	13.2%	0%	100%
NPS	25%	14%	20%	0%	1%	2%	0%	0%	38%	100%
GEO SUR	14%	5%	7%	1%	11%	1%	1%	0%	60%	100%
BUR IND AFF	%	%	%	%	%	%	%	%	%	0%
(OTHER INTERIOR)	%	%	%	%	%	%	%	%	%	0%
OPM	75%	10%	5%	2%	2%	4%	1%	.5%	.5%	100%
APP REG COMM	%	%	%	%	%	%	%	%	%	0%
EXPORT-IMPORT BANK	34%	36%	1%	18%	11%	0%	0%	0%	0%	100%
ICC	92%	1%	1%	4%	1%	1%	0%	0%	0%	100%
TVA	81%	0%	6%	2%	5%	5%	0%	0%	1%	100%
AID	55%	11%	3%	3%	4%	6%	6%	1%	11%	100%
ARMS CNTRL & DIS AG	30%	2%	5%	5%	10%	1%	0%	50%	3%	106%
CAB	75%	10%	2%	5%	5%	1%	%	%	2%	100%
COMM CIVIL RIGHTS	3%	5%	5%	5.5%	5%	.1%	0%	75%	1.5%	100%
COMMUNITY SVCS ADM	70%	20%	5%	2%	3%	0%	0%	0%	0%	100%
EPA	43%	39.5%	4.5%	10%	1%	1%	0%	0%	2%	101%
FARM CREDIT ADMIN	97%	0%	1%	1%	.5%	.5%	0%	0%	0%	100%
FDIC	87.7%	0%	6.6%	0%	0.7%	4.8%	0%	0%	0.2%	100%
FHLBB	92%	1%	5%	.5%	1%	.5%	0%	0%	0%	100%
FED MARITIME COMM	11.8%	23.7%	4.9%	15.2%	6.1%	0%	0%	%	38.3%	100%
FED MED & CON SRV	97.5%	1%	.5%	.5%	0%	.5%	0%	0%	0%	100%
FTC	68%	29%	2%	.6%	.1%	.3%	%	%	%	100%

GOVERNMENT-W'DE

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
SUMMARY OF AGENCY TRAVEL BY PURPOSE
(FROM QUESTIONNAIRE)

DEPARTMENT/AGENCY:BUREAU	SITE VISITS	INFOR-MATION MEETING	TRAINING ATTEND-ANCE	SPEECH OR PRESENT-ATION	CONFERENCE ATTEND-ANCE	RELOCA-TION	ENTITLE-MENT TRAVEL	SPECIAL MISSION	OTHER	TOTAL
FOR CLAIMS SETTL COM	100%	0%	0%	0%	0%	0%	0%	0%	0%	100%
GSA	60%	10%	10%	10%	5%	1.5%	.5%	0%	3%	100%
ICA	56%	8%	7%	6%	8%	6%	6%	1%	2%	100%
NASA	72%	11%	5%	4%	2%	1%	%	1%	4%	100%
NAT CAPITAL PLAN COM	0%	0%	15%	36%	44%	0%	0%	0%	5%	100%
NLRB	3%	.5%	4.8%	1.2%	0%	1.3%	0%	0%	89.2%	100%
NAT MEDIATION BRD	0%	1%	1%	1%	4%	0%	0%	0%	95%	102%
NSF	62%	22%	2%	1%	12%	0%	0%	1%	0%	100%
USPS	30%	30%	21%	2%	1%	15%	1%	0%	0%	100%
SEC	70%	5%	10%	2%	%	%	%	%	13%	100%
SELECTIVE SRVC SYS	70%	24%	2%	2%	2%	0%	0%	0%	0%	100%
SBA	75%	14%	4%	4%	2%	0%	1%	0%	0%	100%
SMITHSONIAN	40%	15%	10%	10%	15%	8%	0%	2%	0%	100%
VA	20%	2%	29%	2%	34%	4%	0%	4%	5%	100%
ITC	60%	3%	5%	2%	10%	1%	%	%	20%	101%
ADMIN CONF OF U.S.	27%	0%	.5%	6.5%	0%	0%	0%	66%	0%	100%
NAT ENDOW HUMANITIES	33%	40.5%	.2%	6.1%	19.4%	.8%	0%	0%	.2%	100%
EEOC	86.05%	0%	10.2%	0%	.05%	2.5%	1.7%	0%	0%	100%
NAT TRANS SAFETY BRD	1%	2%	3%	2%	3%	3%	0%	76%	10%	100%
ACTION	60%	8%	2%	1%	14%	14%	1%	0%	0%	100%
PEACE CORPS	25%	8%	2%	1%	2%	60%	2%	0%	0%	100%
(OTHER ACTION)	65%	8%	2%	1%	15%	9%	0%	0%	0%	100%
NAT CREDIT UNION ADM	88%	1%	10%	0%	0%	1%	0%	0%	0%	100%
CONSUMER PRD SFTY CM	61%	6%	17%	3%	12%	1%	0%	0%	0%	100%

GOVERNMENT-WIDE

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
SUMMARY OF AGENCY TRAVEL BY PURPOSE
(FROM QUESTIONNAIRE)

DEPARTMENT/AGENCY:BUREAU	SITE VISITS	INFORMATION MEETING	TRAINING ATTENDANCE	SPEECH OR PRESENTATION	CONFERENCE ATTENDANCE	RELOCATION	ENTITLEMENT TRAVEL	SPECIAL MISSION	OTHER	TOTAL
RAILROAD RET BRD	%	%	%	%	%	%	%	%	%	0%
NRC	43%	11%	12%	7%	0%	1%	0%	9%	17%	100%
COMMODITY FUT TD CM	4%	0%	2%	1%	.5%	.4%	0%	.5%	88%	96%
POSTAL RATE COMM	70%	7%	10%	5%	5%	0%	0%	0%	3%	100%
PENSION BN GUAR CORP	81%	8%	5%	1%	5%	0%	0%	0%	0%	100%
FEMA	1%	2%	3%	1%	2%	1%	0%	0%	0%	10%
BIB	64%	31%	0%	2%	3%	0%	0%	0%	0%	100%
FED LABOR REL AUTH	%	%	%	%	%	%	%	%	%	0%
MERIT SYS PRO BRD	12%	0%	1%	8%	5%	0%	3%	0%	37%	66%
INTERAMERICAN FOUND	76%	15%	5%	5%	0%	0%	0%	0%	0%	100%
AGRICULTURE	84%	3%	6%	2%	1%	3%	0%	0%	1%	100%
FHA	81%	9%	7%	1%	1%	.5%	0%	0%	.5%	100%
SCS	89%	1%	2%	2%	2%	3%	0%	0%	1%	100%
APHIS	68%	5%	10%	5%	1%	10%	1%	0%	0%	100%
FSOS	%	%	%	%	%	%	%	%	%	0%
FOREST SVC	87.8%	.5%	5%	.1%	1%	4%	.5%	.1%	1%	100%
(OTHER AGRICULTURE)	%	%	%	%	%	%	%	%	%	0%
COMMERCE	47%	18%	4%	10%	12%	1%	.5%	.5%	12%	105%
CENSUS	86%	2%	5%	5%	5%	1.5%	0%	0%	0%	104%
NOAA	50%	15%	5%	5%	10%	10%	3%	0%	2%	100%
(OTHER COMMERCE)	42%	18%	4%	10%	12%	1%	.5%	.5%	12%	100%
DEFENSE	20.7%	4.3%	22%	.6%	4.9%	28.9%	3.3%	5.9%	9.4%	100%
ARMY	27%	4%	30%	1%	11%	1%	4%	8%	14%	100%
NAVY	22	2%	7%	.5%	2%	59%	1%	6.5%	0%	100%
AIR FORCE	46.8%	%	29.4%	%	%	11.7%	3.1%	1.3%	7.7%	100%

GOVERNMENT-WIDE

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
SUMMARY OF AGENCY TRAVEL BY PURPOSE
(FROM QUESTIONNAIRE)

DEPARTMENT/AGENCY:BUREAU	SITE VISITS	INFOR-MATION MEETING	TRAINING ATTEND-ANCE	SPEECH OR PRESENT-ATION	CONFERENCE ATTEND-ANCE	RELOCA-TION	ENTITLE-MENT TRAVEL	SPECIAL MISSION	OTHER	TOTAL
MARINE CORPS	8%	1%	20%	1%	5%	32%	5%	23%	5%	100%
(OTHER DEFENSE)	62.5%	7.9%	6.1%	2.5%	4.9%	3.6%	0.8%	12.8%	3.8%	104%
HHS	63.9%	8.7%	9.3%	3.5%	6.1%	3.4%	.6%	.4%	4.1%	100%
FDA	63%	17%	10%	3%	4%	2%	0%	0%	1%	100%
HSA	38%	10%	11%	1%	7%	13%	1%	5%	14%	100%
CDC	54%	14%	6%	13%	9%	3%	.5%	0%	.75%	100%
NIH	20%	7%	8%	10%	12%	3%	0%	0%	40%	100%
SSA	77%	5%	15.7%	1%	.5%	.5%	.1%	0%	.2%	100%
HCFA	61.4%	8.8%	8.2%	7.9%	8.9%	1.8%	0%	1.0%	.9%	99%
(OTHER HHS)	70%	2%	10%	4%	4%	7%	1%	1%	1%	100%
HUD	85%	1%	5%	.5%	1%	.5%	0%	0%	0%	93%
JUSTICE	14%	9%	11%	10%	7%	1%	1%	47%	1%	101%
FBI	5%	.5%	11%	1%	3%	4%	.5%	75%	%	100%
INS	15%	1%	20%	1%	.1%	2.7%	.1%	60%	.1%	100%
DEA	14%	2%	10%	1%	5%	1%	2%	65%	%	100%
BUREAU OF PRISONS	39%	1%	37%	0%	1%	11%	0%	11%	0%	100%
(OTHER JUSTICE)	15%	15%	8%	16%	10%	1%	1%	35%	1%	102%
LABOR	82%	2.7%	9%	.9%	4%	1%	.4%	0%	0%	100%
ETA	77%	3%	3%	.2%	16%	.4%	0%	0%	.4%	100%
ESA	80%	3%	8%	2%	1%	4%	2%	%	%	100%
OSHA	80%	.1%	18.8%	.1%	.7%	.3%	0%	0%	0%	100%
MSHA	80%	4%	13%	1%	1%	1%	%	0%	0%	100%
(OTHER LABOR)	91%	2%	3%	1%	2%	1%	0%	0%	0%	100%
STATE	40%	15%	10%	2%	10%	10%	5%	3%	5%	100%

GOVERNMENT-WIDE

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
SUMMARY OF AGENCY TRAVEL BY PURPOSE
(FROM QUESTIONNAIRE)

DEPARTMENT/AGENCY:BUREAU	SITE VISITS %	INFORMATION MEETING %	TRAINING ATTENDANCE %	SPEECH OR PRESENTATION %	CONFERENCE ATTENDANCE %	RELOCATION %	ENTITLEMENT TRAVEL %	SPECIAL MISSION %	OTHER %	TOTAL 0%
TRANSPORTATION										
COAST GUARD	61%	5%	12%	0%	1%	10%	1%	2%	10%	102%
FAA	39.5%	1.3%	35.1%	.5%	1.4%	14%	2.7%	.2%	5.3%	100%
FHWA	68.4%	9.4%	7.7%	1.9%	8.2%	1%	1%	0%	2.4%	100%
(OTHER TRANSPORT)	%	%	%	%	%	%	%	%	%	0%
TREASURY	45%	9%	17%	3%	4%	4%	1%	4%	27%	114%
ATF	10%	10%	10%	0%	1%	10%	0%	0%	59%	100%
CUSTOMS	80%	10%	5%	.5%	1%	.1%	.5%	1%	1.9%	100%
IRS	61%	3%	28%	1%	1%	4%	0%	.5%	0%	94%
SECRET SERVICE	86%	0%	6%	1%	2%	3%	0%	0%	2%	100%
(OTHER TREASURY)	26%	2.8%	6.5%	11.9%	2.7%	.8%	1.0%	0.0%	48.3%	100%
ENERGY	41%	10%	6%	1%	10%	2%	0%	7%	23%	100%
FCC	80%	5%	2%	5%	5%	3%	%	%	%	100%
LIB OF CONGRESS	18%	19%	6%	14%	41%	0%	0%	0%	2%	100%
NEW ENGLAND REG COM	40%	40%	0%	10%	10%	0%	0%	0%	0%	100%
EOP	5%	30%	12%	10%	22%	1%	0%	20%	25%	125%
EDUCATION	43%	49%	2%	0%	3%	2%	0%	0%	1%	100%
GPO	73%	1%	25%	0%	0%	1%	0%	0%	0%	100%
FEC	71%	13%	0%	16%	0%	0%	0%	0%	0%	100%
TOTAL	38.25%	4.40%	19.40%	1.39%	6.00%	14.52%	2.25%	6.02%	7.73%	100%

Exhibit III-14

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF TRAVEL BY MODE
(IN HUNDREDS)

GOVERNMENT-WIDE	---- AIR --- COM	GOVT	TRAIN	BUS	POV	GOV	SHIP	OTHER	UNK	TOTAL
DEPT OF INTERIOR										
LAND MGT	382	10	0	0	40	281	0	6	89	809
	47.21%	1.23%	0.00%	0.00%	4.94%	34.73%	0.00%	0.74%	11.00%	
WPRS	159	42	0	0	80	79	0	3	83	445
	35.73%	9.43%	0.00%	0.00%	17.97%	17.75%	0.00%	0.67%	18.65%	
FWS	419	219	3	0	67	102	7	2	109	928
	45.15%	23.59%	0.32%	0.00%	7.22%	10.99%	0.75%	0.21%	11.74%	
NPS	336	73	20	0	135	67	0	53	24	707
	47.52%	10.32%	2.82%	0.00%	19.09%	9.47%	0.00%	7.49%	3.39%	
GEO SUR	390	0	6	3	127	783	0	14	40	1363
	28.61%	0.00%	0.44%	0.22%	9.31%	57.44%	0.00%	1.02%	2.93%	
BUR IND AFF	369	0	0	0	207	434	0	19	12	1040
	35.48%	0.00%	0.00%	0.00%	19.90%	41.73%	0.00%	1.82%	1.15%	
(OTHER INTERIOR)	289	48	0	1	49	2	0	15	0	405
	71.35%	11.85%	0.00%	0.24%	12.09%	0.49%	0.00%	3.70%	0.00%	
DEPARTMENT SUB-TOTAL	2344	392	29	4	705	1748	7	112	357	5697
	41.14%	6.88%	0.50%	0.07%	12.37%	30.68%	0.12%	1.96%	6.26%	
OFFICE OF PERSONNEL MANAGEMENT										
OPM	192	6	17	2	88	16	0	6	9	336
	57.14%	1.78%	5.06%	0.59%	26.19%	4.76%	0.00%	1.78%	2.67%	
TENNESSEE VALLEY AUTHORITY										
TVA	507	35	0	17	249	258	0	130	12	1209
	41.93%	2.89%	0.00%	1.40%	20.59%	21.34%	0.00%	10.75%	0.99%	
AGENCY FOR INTERNATIONAL DEVELOPMENT										
AID	205	11	0	1	16	19	0	3	16	272

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF TRAVEL BY MODE
(IN HUNDREDS)

	---- AIR ---									
GOVERNMENT-WIDE	COM	GOVT	TRAIN	BUS	POV	GOV	SHIP	OTHER	UNK	TOTAL
	75.36%	4.04%	0.00%	0.36%	5.88%	6.98%	0.00%	1.10%	5.88%	
ENVIRONMENTAL PROTECTION AGENCY										
EPA	1070	0	49	0	113	104	0	13	36	1384
	77.31%	0.00%	3.54%	0.00%	8.16%	7.51%	0.00%	0.93%	2.60%	
FEDERAL DEPOSIT INSURANCE CORPORATION										
FDIC	159	0	21	12	923	0	0	3	88	1205
	13.19%	0.00%	1.74%	0.99%	76.59%	0.00%	0.00%	0.24%	7.30%	
FEDERAL HOME LOAN BANK BOARD										
FHLBB	44	0	4	0	211	0	0	4	3	265
	16.60%	0.00%	1.50%	0.00%	79.62%	0.00%	0.00%	1.50%	1.13%	
GENERAL SERVICES ADMINISTRATION										
GSA	404	27	3	0	41	60	0	5	14	555
	72.79%	4.86%	0.54%	0.00%	7.38%	10.81%	0.00%	0.90%	2.52%	
INTERNATIONAL COMMUNICATIONS AGENCY										
ICA	169	19	18	12	18	24	0	24	15	301
	56.14%	6.31%	5.98%	3.98%	5.98%	7.97%	0.00%	7.97%	4.98%	
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION										
NASA	878	82	9	0	91	73	0	0	24	1158
	75.82%	7.08%	0.77%	0.00%	7.85%	6.30%	0.00%	0.00%	2.07%	
SMALL BUSINESS ADMINISTRATION										
SBA	266	0	21	0	333	52	0	40	27	739
	35.99%	0.00%	2.84%	0.00%	45.06%	7.03%	0.00%	5.41%	3.65%	
VETERANS ADMINISTRATION										
VA	2457	0	81	14	1323	203	0	0	230	4307
	57.04%	0.00%	1.88%	0.32%	30.71%	4.71%	0.00%	0.00%	5.34%	

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF TRAVEL BY MODE
(IN HUNDREDS)

GOVERNMENT-WIDE

	---- AIR ---									
	COM	GOVT	TRAIN	BUS	POV	GOV	SHIP	OTHER	UNK	TOTAL
ACTION										
PEACE CORPS	264	14	23	8	22	36	0	24	12	402
	65.67%	3.48%	5.72%	1.99%	5.47%	8.95%	0.00%	5.97%	2.98%	
(OTHER ACTION)	170	14	8	0	33	25	0	0	11	261
	65.13%	5.36%	3.06%	0.00%	12.64%	9.57%	0.00%	0.00%	4.21%	
DEPARTMENT SUB-TOTAL	434	28	31	8	55	61	0	24	23	663
	65.46%	4.22%	4.67%	1.20%	8.29%	9.20%	0.00%	3.62%	3.46%	
NUCLEAR REGULATORY COMMISSION										
NRC	276	0	6	0	76	29	0	9	2	398
	69.34%	0.00%	1.50%	0.00%	19.09%	7.28%	0.00%	2.26%	0.50%	
DEPT OF AGRICULTURE										
FHA	177	0	0	0	458	24	0	0	129	787
	22.49%	0.00%	0.00%	0.00%	58.19%	3.05%	0.00%	0.00%	16.39%	
SCS	189	0	0	5	126	885	0	22	140	1368
	13.81%	0.00%	0.00%	0.36%	9.21%	64.69%	0.00%	1.60%	10.23%	
APHIS	361	89	0	0	187	108	0	28	155	927
	38.94%	9.60%	0.00%	0.00%	20.17%	11.65%	0.00%	3.02%	16.72%	
FSQS	148	3	7	0	279	66	0	10	33	545
	27.15%	0.55%	1.28%	0.00%	51.19%	12.11%	0.00%	1.83%	6.05%	
FOREST SVC	808	1293	0	16	970	1164	0	81	921	5254
	15.37%	24.61%	0.00%	0.30%	18.46%	22.15%	0.00%	1.54%	17.53%	
(OTHER AGRICULTURE)	895	0	0	6	645	414	0	73	146	2180
	41.05%	0.00%	0.00%	0.27%	29.58%	18.99%	0.00%	3.34%	6.69%	
DEPARTMENT SUB-TOTAL	2578	1385	7	27	2665	2661	0	214	1524	11061
	23.30%	12.52%	0.06%	0.24%	24.09%	24.05%	0.00%	1.93%	13.77%	

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF TRAVEL BY MODE
(IN HUNDREDS)

GOVERNMENT-WIDE	---- AIR ---									
	COM	GOVT	TRAIN	BUS	POV	GOV	SHIP	OTHER	UNK	TOTAL
DEPT OF COMMERCE										
CENSUS	733	5	32	16	228	21	0	5	24	1065
	68.82%	0.46%	3.00%	1.50%	21.40%	1.97%	0.00%	0.46%	2.25%	
NOAA	374	0	13	0	121	116	13	10	17	665
	56.24%	0.00%	1.95%	0.00%	18.19%	17.44%	1.95%	1.50%	2.55%	
(OTHER COMMERCE)	389	5	16	3	78	26	0	10	12	539
	72.17%	0.92%	2.96%	0.55%	14.47%	4.82%	0.00%	1.85%	2.22%	
DEPARTMENT SUB-TOTAL	1496	10	61	19	427	163	13	25	53	2268
	65.93%	0.44%	2.68%	0.83%	18.81%	7.19%	0.57%	1.10%	2.33%	
DEPT OF DEFENSE										
ARMY	21547	19279	378	567	19468	0	0	0	7938	69176
	31.14%	27.86%	0.54%	0.82%	28.14%	0.00%	0.00%	0.00%	11.47%	
NAVY	13753	2492	185	554	8031	831	0	0	1568	27415
	50.16%	9.08%	0.67%	2.02%	29.29%	3.03%	0.00%	0.00%	5.72%	
AIR FORCE	6830	9382	375	901	4954	3378	0	1801	525	28147
	24.26%	33.33%	1.33%	3.20%	17.60%	12.00%	0.00%	6.39%	1.86%	
MARINE CORPS	2110	797	22	168	1459	236	11	0	651	5455
	38.68%	14.61%	0.40%	3.08%	26.74%	4.32%	0.20%	0.00%	11.93%	
(OTHER DEFENSE)	708	251	81	7	679	377	0	539	15	2658
	26.67%	9.44%	3.04%	0.26%	25.54%	14.18%	0.00%	20.27%	0.56%	
DEPARTMENT SUB-TOTAL	44949	32201	1041	2197	34591	4822	11	2340	10698	132851
	33.83%	24.23%	0.78%	1.65%	26.03%	3.63%	0.00%	1.76%	8.05%	
DEPT OF HEALTH AND HUMAN SERVICES										
FDA	242	3	15	7	64	73	0	5	27	435
	55.63%	0.69%	3.44%	1.60%	14.71%	16.78%	0.00%	1.14%	6.20%	

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF TRAVEL BY MODE
(IN HUNDREDS)

GOVERNMENT-WIDE	---- AIR ---									
	COM	GOVT	TRAIN	BUS	POV	GOV	SHIP	OTHER	UNK	TOTAL
HSA	738	70	18	6	199	9	0	6	97	1142
	64.62%	6.13%	1.57%	0.52%	17.42%	0.78%	0.00%	0.52%	8.49%	
CDC	304	0	2	7	26	23	0	3	9	374
	81.28%	0.00%	0.53%	1.87%	6.95%	6.15%	0.00%	0.80%	2.40%	
NIH	448	0	24	5	49	0	0	57	13	596
	75.16%	0.00%	4.02%	0.83%	8.22%	0.00%	0.00%	9.56%	2.18%	
SSA	558	50	40	0	377	151	0	35	35	1247
	44.74%	4.01%	3.20%	0.00%	30.23%	12.10%	0.00%	2.80%	2.80%	
HCFA	295	0	24	0	58	3	0	4	14	397
	74.30%	0.00%	6.04%	0.00%	14.61%	0.75%	0.00%	1.00%	3.52%	
(OTHER HHS)	1142	0	35	4	565	66	0	47	39	1898
	60.16%	0.00%	1.84%	0.21%	29.76%	3.47%	0.00%	2.47%	2.05%	
DEPARTMENT SUB-TOTAL	3727	123	158	29	1338	325	0	157	234	6089
	61.20%	2.02%	2.59%	0.47%	21.97%	5.33%	0.00%	2.57%	3.84%	
DEPT OF HOUSING AND URBAN DEVELOPMENT										
HUD	583	49	55	14	471	79	0	84	49	1384
	42.12%	3.54%	3.97%	1.01%	34.03%	5.70%	0.00%	6.06%	3.54%	
DEPT OF JUSTICE										
FBI	338	11	4	7	85	127	0	40	84	697
	48.49%	1.57%	0.57%	1.00%	12.19%	18.22%	0.00%	5.73%	12.05%	
INS	331	68	4	27	134	219	0	0	23	807
	41.01%	8.42%	0.49%	3.34%	16.60%	27.13%	0.00%	0.00%	2.85%	
DEA	378	7	3	0	18	171	0	0	26	603
	62.68%	1.16%	0.49%	0.00%	2.98%	28.35%	0.00%	0.00%	4.31%	
BUREAU OF PRISONS	244	0	9	1	37	38	0	8	12	339

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF TRAVEL BY MODE
(IN HUNDREDS)

GOVERNMENT-WIDE

	---- AIR ---									
	COM	GOVT	TRAIN	BUS	POV	GOV	SHIP	OTHER	UNK	TOTAL
	71.87%	0.00%	0.00%	0.29%	10.91%	11.20%	0.00%	2.36%	3.54%	
(OTHER JUSTICE)	1106	17	48	0	299	155	7	0	41	1673
	66.10%	1.01%	2.86%	0.00%	17.87%	9.26%	0.41%	0.00%	2.45%	
DEPARTMENT SUB-TOTAL	2397	103	59	35	573	710	7	48	186	4119
	58.19%	2.50%	1.43%	0.85%	13.91%	17.23%	0.17%	1.16%	4.51%	
DEPT OF LABOR										
ETA	633	0	37	11	308	59	0	50	55	1152
	54.94%	0.00%	3.21%	0.95%	26.73%	5.12%	0.00%	4.34%	4.77%	
ESA	137	0	5	6	129	17	0	2	5	300
	45.66%	0.00%	1.66%	2.00%	43.00%	5.66%	0.00%	0.66%	1.66%	
OSHA	139	24	4	1	92	37	0	2	16	315
	44.12%	7.61%	1.27%	0.31%	29.20%	11.74%	0.00%	0.63%	5.07%	
MSHA	100	22	0	1	35	244	0	29	46	476
	21.00%	4.62%	0.00%	0.21%	7.35%	51.26%	0.00%	6.09%	9.66%	
(OTHER LABOR)	418	5	25	0	99	0	0	0	19	566
	73.85%	0.88%	4.41%	0.00%	17.49%	0.00%	0.00%	0.00%	3.35%	
DEPARTMENT SUB-TOTAL	1427	51	71	19	663	357	0	83	141	2809
	50.80%	1.81%	2.52%	0.67%	23.60%	12.70%	0.00%	2.95%	5.02%	
DEPT OF STATE										
STATE	757	28	103	0	115	50	0	9	59	1121
	67.52%	2.49%	9.18%	0.00%	10.25%	4.46%	0.00%	0.80%	5.26%	
DEPT OF TRANSPORTATION										
COAST GUARD	1001	206	52	103	1621	1187	0	103	41	4315
	23.19%	4.77%	1.20%	2.38%	37.56%	27.50%	0.00%	2.38%	0.95%	
FAA	1143	75	0	0	582	48	0	59	176	2082

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF TRAVEL BY MODE
(IN HUNDREDS)

	---- AIR ---									
	COM	GOVT	TRAIN	BUS	POV	GOV	SHIP	OTHER	UNK	TOTAL
GOVERNMENT-WIDE										
	54.89%	3.60%	0.00%	0.00%	27.95%	2.30%	0.00%	2.83%	8.45%	
FHWA	234	0	2	0	110	184	0	21	18	569
	41.12%	0.00%	0.35%	0.00%	19.33%	32.33%	0.00%	3.69%	3.16%	
(OTHER TRANSPORT)	217	0	27	2	30	34	0	4	19	332
	65.36%	0.00%	8.13%	0.60%	9.03%	10.24%	0.00%	1.20%	5.72%	
DEPARTMENT SUB-TOTAL	2595	281	81	105	2343	1453	0	187	254	7298
	35.55%	3.85%	1.11%	1.43%	32.10%	19.91%	0.00%	2.56%	3.48%	
DEPT OF TREASURY										
ATF	176	85	0	0	142	185	0	6	148	742
	23.72%	11.45%	0.00%	0.00%	19.13%	24.93%	0.00%	0.80%	19.94%	
CUSTOMS	228	8	17	1	132	67	0	8	30	493
	46.24%	1.62%	3.44%	0.20%	26.77%	13.59%	0.00%	1.62%	6.08%	
IRS	1287	0	327	0	1340	169	0	200	507	3831
	33.59%	0.00%	8.53%	0.00%	34.97%	4.41%	0.00%	5.22%	13.23%	
SECRET SERVICE	474	27	20	0	205	212	1	17	211	1168
	40.58%	2.31%	1.71%	0.00%	17.55%	18.15%	0.08%	1.45%	18.06%	
(OTHER TREASURY)	248	17	11	0	389	0	0	0	101	766
	32.37%	2.21%	1.43%	0.00%	50.78%	0.00%	0.00%	0.00%	13.18%	
DEPARTMENT SUB-TOTAL	2413	137	375	1	2208	633	1	231	997	7000
	34.47%	1.95%	5.35%	0.01%	31.54%	9.04%	0.01%	3.30%	14.24%	
DEPT OF ENERGY										
ENERGY	905	0	14	0	157	411	0	24	10	1520
	59.53%	0.00%	0.92%	0.00%	10.32%	27.03%	0.00%	1.57%	0.65%	
DEPT OF EDUCATION										
EDUCATION	272	0	4	0	18	7	0	1	1	302

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF TRAVEL BY MODE
(IN HUNDREDS)

GOVERNMENT-WIDE

	==== AIR ===									
	COM	GOVT	TRAIN	BUS	POV	GOV	SHIP	OTHER	UNK	TOTAL
	90.06%	0.00%	1.32%	0.00%	5.96%	2.31%	0.00%	0.33%	0.33%	
TOTAL	73504	34968	2318	2516	49811	14318	39	3776	15062	196312
	37.44%	17.81%	1.18%	1.28%	25.37%	7.29%	0.02%	1.92%	7.67%	

Exhibit III-15

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
SUMMARY OF METHODS USED TO OBTAIN
TRANSPORTATION TICKETS

	---SINGLE TRIP--		CONSOLIDATED		BULK PURCHASE		----LOPA----		---OTHER----		DIRECT PURCHASE	-----TOTAL-----		TKTS/
DEPARTMENT/AGENCY:BUREAU	GTRS	TICKETS	GTRS	TICKETS	GTRS	TICKETS	GTRS	TICKETS	GTRS	TICKETS	TICKETS	GTRS	TICKETS	GTR
INTERIOR	41387	46714	393	4189	1664	26624	0	36	0	0	443	43444	78006	2
	95.2%	59.8%	0.9%	5.3%	3.8%	34.1%	0.0%	0.0%	0.0%	0.0%	0.5%			
LAND MGT	3002	3027	24	1404	1664	26624	0	36	0	0	0	4690	31091	7
	64.0%	9.7%	0.5%	4.5%	35.4%	85.6%	0.0%	0.1%	0.0%	0.0%	0.0%			
WPRS	9385	9987	345	1385	0	0	0	0	0	0	18	9730	11390	1
	96.4%	87.6%	3.5%	12.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%			
FWS	5200	8400	0	0								5200	8400	2
	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
NPS	5800	5800	0	0	0	0	0	0	0	0	200	5800	6000	1
	100.0%	96.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.3%			
GEO SUR	18000	19500	24	1400	0	0	0	0	0	0	225	18024	21125	1
	99.8%	92.3%	0.1%	6.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.0%			
BUR IND AFF												0	0	0
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
(OTHER INTERIOR)												0	0	0
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
OPM	5598	5376	75	2425	20	90	0	0	0	0	405	5693	8296	1
	98.3%	64.8%	1.3%	29.2%	0.3%	1.0%	0.0%	0.0%	0.0%	0.0%	4.8%			
APP REG COMM												0	0	0
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
EXPORT-IMPORT BANK	475	475	0	0	7	160	0	0	0	0	0	482	635	1
	98.5%	74.8%	0.0%	0.0%	1.4%	25.2%	0.0%	0.0%	0.0%	0.0%	0.0%			
ICC	5500	7000	0	0	0	0	0	0	0	0	0	5500	7000	1
	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
TVA	11029	11029	0	0	4	368	0	0	0	0	0	11033	11397	1

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
SUMMARY OF METHODS USED TO OBTAIN
TRANSPORTATION TICKETS

DEPARTMENT/AGENCY:BUREAU	---SINGLE TRIP--		CONSOLIDATED		BULK PURCHASE		----LOPA----		---OTHER----		DIRECT PURCHASE	-----TOTAL-----		TKTS/
	GTRS	TICKETS	GTRS	TICKETS	GTRS	TICKETS	GTRS	TICKETS	GTRS	TICKETS	TICKETS	GTRS	TICKETS	GTR
	99.9%	96.7%	0.0%	0.0%	0.0%	3.2%	0.0%	0.0%	0.0%	0.0%	0.0%			
AID	15236	16110	0	0	0	0		2414	0	0	202	15236	18726	1
	100.0%	86.0%	0.0%	0.0%	0.0%	0.0%	0.0%	12.8%	0.0%	0.0%	1.0%			
ARMS CNTRL & DIS AG	571	560	0	0	0	0		0	0	0	100	571	660	1
	100.0%	84.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	15.1%			
CAB	1200	1220	0	0	0	0	0	0	0	0	50	1200	1270	1
	100.0%	96.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.9%			
COMM CIVIL RIGHTS	1800	1750	0	0	0	0	0	0	0	0	56	1800	1806	1
	100.0%	96.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.1%			
COMMUNITY SVCS ADM	5053	5098	62	434							235	5115	5767	1
	98.7%	88.4%	1.2%	7.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	4.0%			
EPA	29000	30000	1000	30000	0	0	0	0	0	0	0	30000	60000	2
	96.6%	50.0%	3.3%	50.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
FARM CREDIT ADMIN	2000	1900	0	0	0		0	0	0	0	200	2000	2100	1
	100.0%	90.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	9.5%			
FDIC												0	0	0
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
FHLBB	2512	2843	0	0	0	0	0	0	0	0	312	2512	3155	1
	100.0%	90.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	9.8%			
FED MARITIME COMM	301	301	0	0	0	0	0	0	0	0	2	301	303	1
	100.0%	99.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.6%			
FED MED & CON SRV	1750	1750	0	0	0	0	0	0	0	0	50	1750	1800	1
	100.0%	97.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.7%			
FTC	4000	3000	13	57	0	0	0	0	0	0	158	4013	3215	1

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
SUMMARY OF METHODS USED TO OBTAIN
TRANSPORTATION TICKETS

DEPARTMENT/AGENCY:BUREAU	---SINGLE TRIP--		CONSOLIDATED		BULK PURCHASE		----LOPA----		---OTHER----		DIRECT PURCHASE	-----TOTAL-----		TKTS/
	GTRS	TICKETS	GTRS	TICKETS	GTRS	TICKETS	GTRS	TICKETS	GTRS	TICKETS	TICKETS	GTRS	TICKETS	GTR
	99.6%	93.3%	0.3%	1.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	4.9%			
FOR CLAIMS SETTL COM	3	3	0	0	0	0	0	0	0	0	0	3	3	1
	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
GSA	5800	6500	90	6000	0	0	0	0	0	0	0	5890	12500	2
	98.4%	52.0%	1.5%	48.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
ICA	411	411	50	4057	0	0	0	0	0	0	1235	461	5703	10
	89.1%	7.2%	10.8%	71.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	21.6%			
NASA	13649	13831	243	23299	0	0	4776	4776	0	0	229	18668	42135	2
	73.1%	32.8%	1.3%	55.3%	0.0%	0.0%	25.5%	11.3%	0.0%	0.0%	0.5%			
NAT CAPITAL PLAN COM	26	26	0	0	0	0	0	0	0	0	5	26	31	1
	100.0%	83.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	16.1%			
NLRB	3620	3620	34	2401	0	0	0	0	0	0	200	3654	6221	2
	99.0%	58.1%	0.9%	38.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.2%			
NAT MEDIATION BRD	442	443	0	0	0	0	0	0	0	0	413	442	856	1
	100.0%	51.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	48.2%			
NSF	200	200	24	6454	0	0	0	0	0	0	180	224	6834	30
	89.2%	2.9%	10.7%	94.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.6%			
USPS	58476	58476										58476	58476	1
	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
SEC	7300	7700	0	0	0	0	0	0	0	0	400	7300	8100	1
	100.0%	95.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	4.9%			
SELECTIVE SRVC SYS	545	545	0	0	0	0	0	0	0	0	0	545	545	1
	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
SBA	8400	8400										8400	8400	1
	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
SUMMARY OF METHODS USED TO OBTAIN
TRANSPORTATION TICKETS

DEPARTMENT/AGENCY:BUREAU	---SINGLE TRIP--		CONSOLIDATED		BULK PURCHASE		----LOPA----		---OTHER----		DIRECT PURCHASE	-----TOTAL-----		TKTS/
	GTRS	TICKETS	GTRS	TICKETS	GTRS	TICKETS	GTRS	TICKETS	GTRS	TICKETS	TICKETS	GTRS	TICKETS	GTR
SMITHSONIAN	650	750	60	1250	0	0	0	0	0	0	50	710	2050	3
	91.5%	36.5%	8.4%	60.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.4%			
VA	26614	28162	493	11347	0	0	0	0	0	0	3910	27107	43419	1
	98.1%	64.8%	1.8%	26.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	9.0%			
ITC	470	470	0	0	0	0	0	0	0	0	0	470	470	1
	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
ADMIN CONF OF U.S.	15	15	0	0	0	0	0	0	0	0	132	15	147	1
	100.0%	10.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	89.8%			
NAT ENDOW HUMANITIES	237	237	17	1110	0	0	0	0	0	0	10	254	1357	5
	93.3%	17.4%	6.6%	81.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.7%			
EEOC												0	0	0
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
NAT TRANS SAFETY BRD	1376	1495	0	0	0	0	0	0	0	0	5	1376	1500	1
	100.0%	99.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%			
ACTION	14000	17000	104	2800	0	0	0	0	0	0	0	14104	19800	1
	99.2%	85.8%	0.7%	14.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
PEACE CORPS	8000	10000	52	1500	0	0	0	0	0	0	0	8052	11500	1
	99.3%	86.9%	0.6%	13.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
(OTHER ACTION)	6000	7000	52	1300	0	0	0	0	0	0	0	6052	8300	1
	99.1%	84.3%	0.8%	15.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
NAT CREDIT UNION ADM	3600	5000	0	0	0	0	0	0	0	0	100	3600	5100	1
	100.0%	98.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.9%			
CONSUMER PRD SFTY CM	1288	1288	0	0	52	451	0	0	0	0	32	1340	1771	1
	96.1%	72.7%	0.0%	0.0%	3.8%	25.4%	0.0%	0.0%	0.0%	0.0%	1.8%			

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
SUMMARY OF METHODS USED TO OBTAIN
TRANSPORTATION TICKETS

DEPARTMENT/AGENCY:BUREAU	---SINGLE TRIP--		CONSOLIDATED		BULK PURCHASE		----LOPA----		---OTHER----		DIRECT PURCHASE	-----TOTAL-----		TKTS/
	GTRS	TICKETS	GTRS	TICKETS	GTRS	TICKETS	GTRS	TICKETS	GTRS	TICKETS	TICKETS	GTRS	TICKETS	GTR
RAILROAD RET BRD	360	450	20	250	0	0	0	0	0	0	10	380	710	2
	94.7%	63.3%	5.2%	35.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.4%			
NRC	2976	2976	312	10536	0	0					100	3288	13612	4
	90.5%	21.8%	9.4%	77.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.7%			
COMMODITY FUT TD CM	1000	1000	0	0	0	0	0	0	0	0	0	1000	1000	1
	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
POSTAL RATE COMM	46	46	0	0	0	0	0	0	18	18	7	64	71	1
	71.8%	64.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	28.1%	25.3%	9.8%			
PENSION BN GUAR CORP	430	430			12	240				670		442	1340	3
	97.2%	32.0%	0.0%	0.0%	2.7%	17.9%	0.0%	0.0%	0.0%	50.0%	0.0%			
FEMA												0	0	0
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
BIB	51	47	0	0	0	0	0	0	0	0	16	51	63	1
	100.0%	74.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	25.4%			
FED LABOR REL AUTH												0	0	0
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
MERIT SYS PRO BRD	61	61	0	0	0	0	0	0	0	0	6	61	67	1
	100.0%	91.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.9%			
INTERAMERICAN FOUND	300	300	0	0	0	0	0	0	0	0	60	300	360	1
	100.0%	83.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	16.6%			
AGRICULTURE	120382	150479	0	0	0	0	0	0	0	0	0	120382	150479	1
	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
FHA												0	0	0
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
SCS												0	0	0

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
SUMMARY OF METHODS USED TO OBTAIN
TRANSPORTATION TICKETS

DEPARTMENT/AGENCY:BUREAU	---SINGLE TRIP--		CONSOLIDATED		BULK PURCHASE		----LOPA----		---OTHER----		DIRECT PURCHASE	-----TOTAL-----		TKTS/
	GTRS	TICKETS	GTRS	TICKETS	GTRS	TICKETS	GTRS	TICKETS	GTRS	TICKETS	TICKETS	GTRS	TICKETS	GTR
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
APHIS												0	0	0
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
FSQS												0	0	0
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
FOREST SVC												0	0	0
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
(OTHER AGRICULTURE)												0	0	0
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
COMMERCE	22038	22218	482	19366	156	8152	258	258	0	0	870	22934	50864	2
	96.0%	43.6%	2.1%	38.0%	0.6%	16.0%	1.1%	0.5%	0.0%	0.0%	1.7%			
CENSUS	1282	1282	64	6743	0	0	0	0	0	0	0	1346	8025	6
	95.2%	15.9%	4.7%	84.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
NOAA	15199	15499	0	0	156	8152	0	0	0	0	549	15655	24200	2
	99.0%	64.0%	0.0%	0.0%	1.0%	33.6%	0.0%	0.0%	0.0%	0.0%	2.2%			
(OTHER COMMERCE)	5257	5437	418	12623	0	0	258	258	0	0	321	5933	18639	3
	88.6%	29.1%	7.0%	67.7%	0.0%	0.0%	4.3%	1.3%	0.0%	0.0%	1.7%			
DEFENSE	1409040	1892403	1200	1140	18711	535090	5956	992140	0	0	92521	1434907	3513294	2
	98.2%	53.8%	0.0%	0.0%	1.3%	15.2%	0.4%	28.2%	0.0%	0.0%	2.6%			
ARMY	836614	1098142	0	0	14783	417250	1850	555000			75545	853247	2145937	2
	98.0%	51.1%	0.0%	0.0%	1.7%	19.4%	0.2%	25.8%	0.0%	0.0%	3.5%			
NAVY	357000	357000	0	0	0	0	0	0	0	0	0	357000	357000	1
	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
AIR FORCE	107328	215720					3830	420947				111158	636667	6

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
SUMMARY OF METHODS USED TO OBTAIN TRANSPORTATION TICKETS

DEPARTMENT/AGENCY:BUREAU	---SINGLE TRIP-- GTRS	TICKETS	CONSOLIDATED GTRS	TICKETS	BULK PURCHASE GTRS	TICKETS	----LOPA---- GTRS	TICKETS	---OTHER---- GTRS	TICKETS	DIRECT PURCHASE TICKETS	-----TOTAL----- GTRS	TICKETS	TKTS/ GTR
	86.5%	33.8%	0.0%	0.0%	0.0%	0.0%	3.4%	66.1%	0.0%	0.0%	0.0%			
MARINE CORPS	74637	184629	0	0	3928	117840	0	0				78565	302469	4
	95.0%	61.0%	0.0%	0.0%	5.0%	38.9%	0.0%	0.0%	0.0%	0.0%	0.0%			
(OTHER DEFENSE)	33461	36912	1200	1140			276	16193			16976	34937	71221	2
	95.7%	51.8%	3.4%	1.6%	0.0%	0.0%	0.7%	22.7%	0.0%	0.0%	23.8%			
HHS	84217	85018	620	47764	0	0	0	89	0	0	12997	84837	145868	2
	99.2%	58.2%	0.7%	32.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.9%			
FDA	7321	7459	79	3378	0	0	0	89	0	0	267	7400	11193	1
	98.9%	66.6%	1.0%	30.1%	0.0%	0.0%	0.0%	0.8%	0.0%	0.0%	2.3%			
HSA	47917	48170	128	8978	0	0	0	0	0	0	2064	48045	59212	1
	99.7%	81.3%	0.2%	15.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.4%			
CDC	5124	5124	64	5237	0	0	0	0	0	0	80	5188	10441	2
	98.7%	49.0%	1.2%	50.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.7%			
NIH	5627	5687	116	17581	0	0	0	0	0	0	2911	5743	26179	4
	97.9%	21.7%	2.0%	67.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	11.1%			
SSA	14900	16000	90	5400	0	0	0	0	0	0	6000	14990	27400	1
	99.4%	58.3%	0.6%	19.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	21.9%			
HCFA	1178	1178	91	2940	0	0	0	0	0	0	961	1269	5079	3
	92.8%	23.1%	7.1%	57.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	18.9%			
(OTHER HHS)	2150	1400	52	4250	0	0	0	0	0	0	725	2202	6375	3
	97.6%	21.9%	2.3%	66.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	11.3%			
HUD	21055	22022	466	12967	0	0	0	0	0	0	1102	21521	36091	2
	97.8%	61.0%	2.1%	35.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.0%			
JUSTICE	105495	118595	2840	2081	0	0	8	845	0	0	89369	108343	210890	1
	97.3%	56.2%	2.6%	0.9%	0.0%	0.0%	0.0%	0.4%	0.0%	0.0%	42.3%			

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
SUMMARY OF METHODS USED TO OBTAIN TRANSPORTATION TICKETS

	---SINGLE TRIP--		CONSOLIDATED		BULK PURCHASE		----LOPA----		---OTHER----		DIRECT PURCHASE	-----TOTAL-----		TKTS/
DEPARTMENT/AGENCY:BUREAU	GTRS	TICKETS	GTRS	TICKETS	GTRS	TICKETS	GTRS	TICKETS	GTRS	TICKETS	TICKETS	GTRS	TICKETS	GTR
FBI	24000	25000	0	0	0	0	0	0	0	0	300	24000	25300	1
	100.0%	98.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.1%			
INS	22000	30000	0	0	0	0	0	0	0	0	100	22000	30100	1
	100.0%	99.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%			
DEA	12659	24333	8	625	0	0	8	840	0	0	0	12675	25798	2
	99.8%	94.3%	0.0%	2.4%	0.0%	0.0%	0.0%	3.2%	0.0%	0.0%	0.0%			
BUREAU OF PRISONS	6000	6300	0	0	0	0	0	5	0	0	0	6000	6305	1
	100.0%	99.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
(OTHER JUSTICE)	40836	32962	2832	1456	0	0	0	0	0	0	88969	43668	123387	1
	93.5%	26.7%	6.4%	1.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	72.1%			
LABOR	23985	24803	186	9863		0	1339	27744	0	0	257	25510	62667	2
	94.0%	39.5%	0.7%	15.7%	0.0%	0.0%	5.2%	44.2%	0.0%	0.0%	0.4%			
ETA	5589	5567	9	2123	0	0	349	8939	0	0	31	5947	16660	3
	93.9%	33.4%	0.1%	12.7%	0.0%	0.0%	5.8%	53.6%	0.0%	0.0%	0.1%			
ESA	3819	3299	7	1769			0	4454			45	3826	9567	2
	99.8%	34.4%	0.1%	18.4%	0.0%	0.0%	0.0%	46.5%	0.0%	0.0%	0.4%			
OSHA	3585	3385	2	708	0	0	671	2235	0	0	95	4258	6123	1
	84.1%	52.7%	0.0%	11.0%	0.0%	0.0%	15.7%	34.8%	0.0%	0.0%	1.4%			
MSHA	4500	6142	48	2637								4548	8779	2
	98.9%	69.9%	1.0%	30.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
(OTHER LABOR)	6559	6401	120	2626			319	12116			86	6998	21229	3
	93.7%	30.1%	1.7%	12.3%	0.0%	0.0%	4.5%	57.0%	0.0%	0.0%	0.4%			
STATE	60000	60000	0	0	0	0	0	6000	0	0	0	60000	66000	1
	100.0%	90.9%	0.0%	0.0%	0.0%	0.0%	0.0%	9.0%	0.0%	0.0%	0.0%			

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
SUMMARY OF METHODS USED TO OBTAIN
TRANSPORTATION TICKETS

DEPARTMENT/AGENCY:BUREAU	---SINGLE TRIP--		CONSOLIDATED		BULK PURCHASE		----LOPA----		---OTHER----		DIRECT PURCHASE	-----TOTAL-----		TKTS/
	GTRS	TICKETS	GTRS	TICKETS	GTRS	TICKETS	GTRS	TICKETS	GTRS	TICKETS	TICKETS	GTRS	TICKETS	GTR
TRANSPORTATION	40157	42091	905	12369					300	300	750	41362	55510	1
	97.0%	75.8%	2.1%	22.2%	0.0%	0.0%	0.0%	0.0%	0.7%	0.5%	1.3%			
COAST GUARD	30000	31800	0	0	0	0	0	0	0	0	0	30000	31800	1
	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
FAA												0	0	0
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
FHWA	5902	6185	37	3386	0		0	0	0	0	239	5939	9810	2
	99.3%	63.0%	0.6%	34.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.4%			
(OTHER TRANSPORT)	4255	4436	868	8983	0			0	0	0	511	5123	13930	3
	83.0%	31.8%	16.9%	64.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.6%			
TREASURY	104369	129427	39	3366	0	0	0	0	0	0	1168	104408	133961	1
	99.9%	96.6%	0.0%	2.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.8%			
ATF	10000	12000	12	2000	0	0	0	0	0	0	10	10012	14010	1
	99.8%	85.6%	0.1%	14.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
CUSTOMS												0	0	0
	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
IRS	74526	93382	24	1008	0	0	0	0	0	0	1158	74550	95548	1
	99.9%	97.7%	0.0%	1.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.2%			
SECRET SERVICE	8011	11536	0	0	0	0	0	0	0	0	0	8011	11536	1
	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
(OTHER TREASURY)	11832	12509	15	358								11847	12867	1
	99.8%	97.2%	0.1%	2.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
ENERGY	12027	12825	270	20846	12	806	6	99	0	0	103	12315	34679	3
	97.6%	36.9%	2.1%	60.1%	0.1%	2.3%	0.0%	0.2%	0.0%	0.0%	0.3%			
FCC		300		1500			0	0				0	1800	0

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
SUMMARY OF METHODS USED TO OBTAIN
TRANSPORTATION TICKETS

DEPARTMENT/AGENCY:BUREAU	---SINGLE TRIP-- GTRS	TICKETS	CONSOLIDATED GTRS	TICKETS	BULK PURCHASE GTRS	TICKETS	----LOPA---- GTRS	TICKETS	---OTHER---- GTRS	TICKETS	DIRECT PURCHASE TICKETS	-----TOTAL----- GTRS	TICKETS	TKTS/ GTR
	0.0%	16.6%	0.0%	83.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
LIB OF CONGRESS	42	42	38	1330	0	0	0	85	0	0	0	80	1457	18
	52.5%	2.8%	47.5%	91.2%	0.0%	0.0%	0.0%	5.8%	0.0%	0.0%	0.0%			
NEW ENGLAND REG COM	49	49	0	0	0	0	0	0	0	0	0	49	49	1
	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
EOP	355	355	120	2400	0	0	0	0	0	0	146	475	2901	6
	74.7%	12.2%	25.2%	82.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.0%			
EDUCATION	3000	3000	106	10500	0	0	0	0	0	0	200	3106	13700	4
	96.5%	21.9%	3.4%	76.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.4%			
GPO	561	576	0	0	0	0	0	0	0	0	0	561	576	1
	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
FEC	460	452	0	0	0	0	0	0	0	0	67	460	519	1
	100.0%	87.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	12.9%			
FEDERAL TOTAL	2286990	2859663	10262	252101	20638	571981	12343	1034486	318	888	208863	2330551	4928082	2
	98.1%	58.0%	0.4%	5.1%	0.8%	11.6%	0.5%	20.9%	0.0%	0.0%	4.2%			

Exhibit III-16

INTERAGENCY TRAVEL MANGAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF OUTSTANDING TRAVEL ADVANCES

DEPARTMENT/AGENCY:BUREAU	--PERMANENT ADVANCES-- TOTAL	OVER 90	-------------TRIP-BY-TRIP ADVANCES------------ TOTAL	0 - 60	61 - 90	OVER 90	-----ALL ADVANCES----- TOTAL	OVER 90
INTERIOR	1512469	252251 16.57%	5483226	2000391 36.48%	1910670 34.84%	1572165 28.67%	6995695	1824416 26.07%
LAND MGT	131985	2500 1.89%	986035	621821 63.06%	329677 33.43%	34537 3.50%	1118020	37037 3.31%
WPRS	60429	7339 12.14%	249629	187664 75.17%	28634 11.47%	33331 13.35%	310058	40670 13.11%
FWS		%	2618860	0.00%	1261359 48.16%	1357501 51.83%	2618860	1357501 51.83%
NPS	30000	10000 33.33%	1066500	801500 75.15%	215000 20.15%	50000 4.68%	1096500	60000 5.47%
GEO SUR	1200000	200000 16.66%	300500	195000 64.89%	75500 25.12%	30000 9.98%	1500500	230000 15.32%
BUR IND AFF		%		%	%	%	0	0 %
(OTHER INTERIOR)	90055	32412 35.99%	261702	194406 74.28%	500 0.19%	66796 25.52%	351757	99208 28.20%
OPM	136206	0.00%	843000	514000 60.97%	84000 9.96%	245000 29.06%	979206	245000 25.02%
APP REG COMM		%		%	%	%	0	0 %
EXPORT-IMPORT BANK	0	0 %	23022	16436 71.39%	571 2.48%	6015 26.12%	23022	6015 26.12%
ICC	195815	9790 4.99%	78060	29524 37.82%	19682 25.21%	28854 36.96%	273875	38644 14.11%
TVA		0 %	1139031	0 0.00%	908589 79.76%	230442 20.23%	1139031	230442 20.23%
AID	0	0 %	1888423	1888423 100.00%	0.00%	0.00%	1888423	0 0.00%
ARMS CNTRL & DIS AG		0 %	0	%	%	%	0	0 %
CAB	51720	0 0.00%	17284	12963 75.00%	864 4.99%	3457 20.00%	69004	3457 5.00%
COMM CIVIL RIGHTS	24500	0 0.00%	0	0 %	0 %	0 %	24500	0 0.00%

INTERAGENCY TRAVEL MANGAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF OUTSTANDING TRAVEL ADVANCES

DEPARTMENT/AGENCY:BUREAU	--PERMANENT ADVANCES--		--------TRIP-BY-TRIP ADVANCES--------				-----ALL ADVANCES-----	
	TOTAL	OVER 90	TOTAL	0 - 60	61 - 90	OVER 90	TOTAL	OVER 90
COMMUNITY SVCS ADM	7500	0 0.00%	105000	103000 98.09%	2000 1.90%	0 0.00%	112500	0 0.00%
EPA	190000	19000 10.00%	1285000	1040850 81.00%	77100 6.00%	167050 13.00%	1475000	186050 12.61%
FARM CREDIT ADMIN	77379	3800 4.91%	4200	4200 100.00%	0 0.00%	0 0.00%	81579	3800 4.65%
FDIC	1251293	154000 12.30%		%	%	%	1251293	154000 12.30%
FHLBB	270899	12275 4.53%	19098	11488 60.15%	5612 29.38%	1998 10.46%	289997	14273 4.92%
FED MARITIME COMM	14000	3000 21.42%		%	%	%	14000	3000 21.42%
FED MED & CON SRV	59842	0 0.00%	0	%	%	%	59842	0 0.00%
FTC		%	91280	62983 68.99%	11866 12.99%	16431 18.00%	91280	16431 18.00%
FOR CLAIMS SETTL COM	0	0 %	0	0 %	0 %	0 %	0	0 %
GSA	278000	25000 8.99%	1507950	606500 40.22%	224350 14.87%	677100 44.90%	1785950	702100 39.31%
ICA	41758	0 0.00%	1115890	267934 24.01%	91197 8.17%	756758 67.81%	1157648	756758 65.37%
NASA	25726	3500 13.60%	1184177	822455 69.45%	148863 12.57%	212859 17.97%	1209903	216359 17.88%
NAT CAPITAL PLAN COM	0	0 %	0	0 %	0 %	0 %	0	0 %
NLRB	420000	2000 0.47%	46966	13466 28.67%	4825 10.27%	28675 61.05%	466966	30675 6.56%
NAT MEDIATION BRD		%		%	%	%	0	0 %
NSF	6600	400 6.06%	148574	114278 76.91%	13392 9.01%	20904 14.06%	155174	21304 13.72%
USPS			3873295	3873295			3873295	0

INTERAGENCY TRAVEL MANGAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF OUTSTANDING TRAVEL ADVANCES

DEPARTMENT/AGENCY:BUREAU	--PERMANENT ADVANCES-- TOTAL	OVER 90	-------------TRIP-BY-TRIP ADVANCES------------ TOTAL	0 - 60	61 - 90	OVER 90	-----ALL ADVANCES----- TOTAL	OVER 90
		%		100.00%	0.00%	0.00%		0.00%
SEC	226945	932 0.41%	226945	37824 16.65%	48192 21.23%	140929 62.09%	453890	141861 31.25%
SELECTIVE SRVC SYS	2600	0 0.00%	200	200 100.00%	0 0.00%	0 0.00%	2800	0 0.00%
SBA	83135	9803 11.79%	179294	141280 78.79%	12864 7.17%	25150 14.02%	262429	34953 13.31%
SMITHSONIAN	0	0 %	123979	116657 94.09%	5355 4.31%	1957 1.58%	123979	1957 1.58%
VA	60918	13411 22.01%	1415955	916953 64.75%	231987 16.38%	267015 18.85%	1476873	280426 18.98%
ITC	0	%	600	0 0.00%	0 0.00%	600 100.00%	600	600 100.00%
ADMIN CONF OF U.S.	0	0 %		%	%	%	0	0 %
NAT ENDOW HUMANITIES	12800	1500 11.71%	1014	924 91.12%	90 8.87%	0 0.00%	13814	1500 10.85%
EEOC		%		%	%	%	0	0 %
NAT TRANS SAFETY BRD	66470	4000 6.01%	17055	1970 11.55%	5000 29.31%	10085 59.13%	83525	14085 16.86%
ACTION	0	0 %	0	0 %	0 %	0 %	0	0 %
PEACE CORPS		%		%	%	%	0	0 %
(OTHER ACTION)	0	%		%	%	%	0	0 %
NAT CREDIT UNION ADM	124137	0.00%	15227	12755 83.76%	0 0.00%	2472 16.23%	139364	2472 1.77%
CONSUMER PRD SFTY CM	40077	0 0.00%	68000	34000 50.00%	6800 10.00%	27200 40.00%	108077	27200 25.16%
RAILROAD RET BRD		%		%	%	%	0	0 %

INTERAGENCY TRAVEL MANGAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF OUTSTANDING TRAVEL ADVANCES

DEPARTMENT/AGENCY:BUREAU	--PERMANENT ADVANCES-- TOTAL	OVER 90	------TRIP-BY-TRIP ADVANCES------ TOTAL	0 - 60	61 - 90	OVER 90	-----ALL ADVANCES----- TOTAL	OVER 90
NRC	21300	4500 21.12%	1074716	537358 50.00%	128966 12.00%	408392 37.99%	1096016	412892 37.67%
COMMODITY FUT TD CM	5000	3000 60.00%	53307	42645 79.99%	5331 10.00%	5331 10.00%	58307	8331 14.28%
POSTAL RATE COMM		%	518	518 100.00%	0 0.00%	0 0.00%	518	0 0.00%
PENSION BN GUAR CORP	0	%	9233	6092 65.98%	401 4.34%	2740 29.67%	9233	2740 29.67%
FEMA		%		%	%	%	0	0 %
BIB	0	0 %	14250	14250 100.00%	0 0.00%	0 0.00%	14250	0 0.00%
FED LABOR REL AUTH	117917	15000 12.72%	4536	3800 83.77%	736 16.22%	0 0.00%	122453	15000 12.24%
MERIT SYS PRO BRD	34797	5458 15.68%	1884	0 0.00%	0 0.00%	1884 100.00%	36681	7342 20.01%
INTERAMERICAN FOUND	0	0 %	26106	7615 29.16%	16491 63.16%	2000 7.66%	26106	2000 7.66%
AGRICULTURE	0	0 %	10264951	8154743 79.44%	1894352 18.45%	215856 2.10%	10264951	215856 2.10%
FMA		%		%	%	%	0	0 %
SCS		%		%	%	%	0	0 %
APHIS		%		%	%	%	0	0 %
FSQS		%		%	%	%	0	0 %
FOREST SVC		%		%	%	%	0	0 %
(OTHER AGRICULTURE)		%		%	%	%	0	0 %
COMMERCE	888457	20600 2.31%	3265425	1799567 55.10%	550637 16.86%	915221 28.02%	4153882	935821 22.52%

INTERAGENCY TRAVEL MANGAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF OUTSTANDING TRAVEL ADVANCES

DEPARTMENT/AGENCY:BUREAU	--PERMANENT ADVANCES-- TOTAL	 OVER 90	------------TRIP-BY-TRIP ADVANCES----------- TOTAL	 0 - 60	 61 - 90	 OVER 90	-----ALL ADVANCES----- TOTAL	 OVER 90
CENSUS	371914	0 0.00%	741492	511630 69.00%	170543 22.99%	59319 7.99%	1113406	59319 5.32%
NOAA	371881	18600 5.00%	1478336	815336 55.15%	249000 16.84%	414000 28.00%	1850217	432600 23.38%
(OTHER COMMERCE)	144662	2000 1.38%	1045597	472601 45.19%	131094 12.53%	441902 42.26%	1190259	443902 37.29%
DEFENSE	2193956	8749 0.39%	41970565	25670819 61.16%	5065730 12.06%	11233816 26.76%	44164521	11242565 25.45%
ARMY	1628219	0 0.00%	15938792	8848492 55.51%	2061806 12.93%	5028494 31.55%	17568011	5028494 28.62%
NAVY	80000	0 0.00%	11843266	6574430 55.51%	1531922 12.93%	3736914 31.55%	11923266	3736914 31.34%
AIR FORCE		%	8161838	4872617 59.69%	1289570 15.79%	1999651 24.50%	8161838	1999651 24.50%
MARINE CORPS	300000	0.00%	4227000	4227000 100.00%	0 0.00%	0 0.00%	4527000	0 0.00%
(OTHER DEFENSE)	185737	8749 4.71%	1798669	1148380 63.84%	182432 10.14%	467857 26.01%	1984406	476606 24.01%
HHS	1592008	233456 14.66%	5464207	3402644 62.27%	713352 13.05%	1348211 24.67%	7056215	1581667 22.41%
FDA	264347	26480 10.01%	307699	255617 83.07%	15723 5.10%	36359 11.81%	572046	62839 10.98%
HSA	204330	42250 20.67%	809323	477732 59.02%	106963 13.21%	224628 27.75%	1013653	266878 26.32%
CDC	39650	0 0.00%	512470	240189 46.86%	80876 15.78%	191405 37.34%	552120	191405 34.66%
NIH	21043	6500 30.88%	240268	237805 98.97%	638 0.26%	1825 0.75%	261312	8325 3.18%
SSA	957188	156026 16.30%	2784640	1596703 57.33%	421041 15.12%	766896 27.54%	3741828	922922 24.66%
HCFA	0	0 %	129024	83087 64.39%	16077 12.46%	29860 23.14%	129024	29860 23.14%
(OTHER HHS)	105450	2200	680782	511511	72033	97238	786232	99438

INTERAGENCY TRAVEL MANGAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF OUTSTANDING TRAVEL ADVANCES

DEPARTMENT/AGENCY:BUREAU	--PERMANENT ADVANCES--		-------------TRIP-BY-TRIP ADVANCES------------				----ALL ADVANCES-----	
	TOTAL	OVER 90	TOTAL	0 - 60	61 - 90	OVER 90	TOTAL	OVER 90
		2.08%		75.13%	10.58%	14.28%		12.64%
HUD	413063	17475 4.23%	732835	504933 68.90%	49295 6.72%	178607 24.37%	1145898	196082 17.11%
JUSTICE	1239544	14928 1.20%	5432535	3837828 70.64%	830550 15.28%	764157 14.06%	6672079	779085 11.67%
FBI	481000	0 0.00%	277000	204000 73.64%	73000 26.35%	0.00%	758000	0 0.00%
INS	37000	0.00%	2255885	1353531 60.00%	563971 24.99%	338383 15.00%	2292885	338383 14.75%
DEA	632675	5000 0.79%	1010613	861390 85.23%	34786 3.44%	114437 11.32%	1643288	119437 7.26%
BUREAU OF PRISONS	25004	1000 3.99%	1475607	1225607 83.05%	100000 6.77%	150000 10.16%	1500611	151000 10.06%
(OTHER JUSTICE)	63865	8928 13.97%	413430	193300 46.75%	58793 14.22%	161337 39.02%	477295	170265 35.67%
LABOR	2490229	17845 0.71%	644927	0 0.00%	0 0.00%	0 0.00%	3135156	17845 0.56%
ETA	267605	0 0.00%	396622	0.00%	0.00%	0.00%	664227	0 0.00%
ESA	492768	0.00%	52222	0.00%	0.00%	0.00%	544990	0 0.00%
OSHA	599909	0 0.00%	39995	0.00%	0.00%	0.00%	639904	0 0.00%
MSHA	569963	17845 3.13%		%	%	%	569963	17845 3.13%
(OTHER LABOR)	559984	0 0.00%	156088	0.00%	0.00%	0.00%	716072	0 0.00%
STATE	300000	600000 200.00%	4000000	800000 20.00%	200000 5.00%	3000000 75.00%	4300000	3600000 83.72%
TRANSPORTATION	4323993	436212 10.08%	13266546	7767207 58.54%	5009953 37.76%	489386 3.68%	17590539	925598 5.26%
COAST GUARD	600000	85700 14.28%	1800000	1350000 75.00%	414000 23.00%	36000 2.00%	2400000	121700 5.07%

INTERAGENCY TRAVEL MANGAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF OUTSTANDING TRAVEL ADVANCES

DEPARTMENT/AGENCY:BUREAU	--PERMANENT ADVANCES--		------------- TRIP-BY-TRIP ADVANCES -------------				-----ALL ADVANCES-----	
	TOTAL	OVER 90	TOTAL	0 - 60	61 - 90	OVER 90	TOTAL	OVER 90
FAA	3360263	300000 8.92%	10765000	6107918 56.73%	4506735 41.86%	150347 1.39%	14125263	450347 3.19%
FHWA	136014	10074 7.40%	409890	184186 44.93%	61644 15.03%	164060 40.02%	545904	174134 31.89%
(OTHER TRANSPORT)	227716	40438 17.75%	291656	125103 42.89%	27574 9.45%	138979 47.65%	519372	179417 34.54%
TREASURY	3327414	184191 5.53%	9565702	4104803 42.91%	1815950 18.98%	3644949 38.10%	12893116	3829140 29.70%
ATF	372595	0.00%		%	%	%	372595	0 0.00%
CUSTOMS	51457	10000 19.43%	2521415	849048 33.67%	283016 11.22%	1389350 55.10%	2572872	1399350 54.39%
IRS	1308759	64191 4.90%	5591131	3070688 54.92%	1531555 27.39%	988888 17.68%	6899890	1053079 15.26%
SECRET SERVICE	1594603	120000 7.52%		%	%	%	1594603	120000 7.52%
(OTHER TREASURY)		%	1453156	185066 12.73%	1379 0.09%	1266711 87.16%	1453156	1266711 87.16%
ENERGY	482870	46475 9.62%	2753744	1335304 48.49%	734605 26.67%	683835 24.83%	3236614	730310 22.56%
FCC	0	0 %	115825	0.00%	0.00%	0.00%	115825	0 0.00%
IB OF CONGRESS	0	0 %	1200	1200 100.00%	0 0.00%	0 0.00%	1200	0 0.00%
NEW ENGLAND REG COM	500	0 0.00%	1665	0.00%	0.00%	0.00%	2165	0 0.00%
EOP	2000	0.00%	80874	31588 39.05%	8666 10.71%	40620 50.22%	82874	40620 49.01%
EDUCATION	30000	0 0.00%	301872	128100 42.43%	100000 33.12%	73772 24.43%	331872	73772 22.22%
GPO		0 %	13396	10365 77.37%	2230 16.64%	801 5.97%	13396	801 5.97%
FEC	36300	16300 44.90%	4800	4800 100.00%	0 0.00%	0 0.00%	41100	16300 39.65%

INTERAGENCY TRAVEL MANGAGEMENT IMPROVEMENT PROJECT
ANALYSIS OF OUTSTANDING TRAVEL ADVANCES

DEPARTMENT/AGENCY:BUREAU	--PERMANENT ADVANCES-- TOTAL	OVER 90	------------TRIP-BY-TRIP ADVANCES------------ TOTAL	0 - 60	61 - 90	OVER 90	-----ALL ADVANCES----- TOTAL	OVER 90
ALL AGENCIES TOTAL	22680137	2148851 9.47%	119967364	70811027 59.02%	20941114 17.45%	27452805 22.88%	142647501	29601656 20.75%

Exhibit III-17

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
TRAVEL ADVANCE CHARACTERISTICS BY AGENCY

DEPARTMENT/AGENCY:BUREAU	-OUTSTANDING ADVANCES VS SUBSISTENCE-			-PCT OF EMPLOYEES HOLDING ADVANCES-			-AVERAGE ADVANCE AMOUNT-	
	TOTAL SUBSISTENCE	PERMANENT ADVANCES	TRIP BY TRIP ADVANCES	TOTAL EMPLOYEES	PERMANENT ADVANCES	TRIP BY TRIP ADVANCES	PERMANENT ADVANCES	TRIP BY TRIP ADVANCES
INTERIOR	39183892	1512469	5483226	54343	7111	6584	212.69	832.81
		3.86%	13.99%		13.08%	12.11%		
LAND MGT	6912256	131885	986035	5523	335	2563	393.98	384.71
		1.90%	14.26%		6.06%	46.40%		
WPRS	3292053	60428	249628	7186	301	721	200.76	346.22
		1.83%	7.58%		4.18%	10.03%		
FWS	4990746		2618860	5088	900	0	0.00	0.00
		0.00%	52.47%		17.68%	0.00%		
NPS	5495249	30000	1066500	8780	75	2000	400.00	533.25
		0.54%	19.40%		0.85%	22.77%		
GEO SUR	13333194	1200000	300500	9270	5500	1300	218.18	231.15
		9.00%	2.25%		59.33%	14.02%		
BUR IND AFF	5015383			12440		0	0.00	0.00
		0.00%	0.00%		0.00%	0.00%		
(OTHER INTERIOR)	2600483	90055	261702	5856		0	0.00	0.00
		3.46%	10.06%		0.00%	0.00%		
OPM	2590489	136206	843000	6276	370	880	368.12	957.95
		5.25%	32.54%		5.89%	14.02%		
APP REG COMM	168000*			8		0	0.00	0.00
		0.00%	0.00%		0.00%	0.00%		
EXPORT-IMPORT BANK	455000*	0	23022	387	0	65	0.00	354.18
		0.00%	5.06%		0.00%	16.79%		
ICC	2281000*	195815	78060	2002	373	248	524.97	314.75
		8.58%	3.42%		18.63%	12.38%		

* SUBSISTENCE AMOUNT WAS NOT AVALIABLE. FIGURE SHOWN IS TOTAL EXPENDITURES

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
TRAVEL ADVANCE CHARACTERISTICS BY AGENCY

DEPARTMENT/AGENCY:BUREAU	-OUTSTANDING ADVANCES VS SUBSISTENCE- TOTAL SUBSISTENCE	PERMANENT ADVANCES	TRIP BY TRIP ADVANCES	-PCT OF EMPLOYEES HOLDING ADVANCES- TOTAL EMPLOYEES	PERMANENT ADVANCES	TRIP BY TRIP ADVANCES	-AVERAGE ADVANCE AMOUNT- PERMANENT ADVANCES	TRIP BY TRIP ADVANCES
TVA	4383433		1139031	17068		4291	0.00	265.44
		0.00%	25.98%		0.00%	25.14%		
AID	4681024	0	1888423	5753	0	0	0.00	0.00
		0.00%	40.34%		0.00%	0.00%		
ARMS CNTRL & DIS AG	984000*		0	199		0	0.00	0.00
		0.00%	0.00%		0.00%	0.00%		
CAB	566000*	51720	17284	722	42	60	1231.42	288.06
		9.13%	3.05%		5.81%	8.31%		
COMM CIVIL RIGHTS	648000*	24500	0	259	70	0	350.00	0.00
		3.78%	0.00%		27.02%	0.00%		
COMMUNITY SVCS ADM	1506000*	7500	105000	959	25	104	300.00	1009.61
		0.49%	6.97%		2.60%	10.84%		
EPA	6004978	190000	1285000	10153	750	5250	253.33	244.76
		3.16%	21.39%		7.38%	51.70%		
FARM CREDIT ADMIN	1318000*	77379	4200	244	123	5	629.09	840.00
		5.87%	0.31%		50.41%	2.04%		
FDIC	6554420	1251293		3446	2043	0	612.47	0.00
		19.09%	0.00%		59.28%	0.00%		
FHLBB	2189662	270899	19098	1396	475	66	570.31	289.36
		12.37%	0.87%		34.02%	4.72%		
FED MARITIME COMM	168000*	14000		319	43	0	325.58	0.00
		8.33%	0.00%		13.48%	0.00%		
FED MED & CON SRV	1323000*	59842	0	508	109	0	549.00	0.00

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INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
TRAVEL ADVANCE CHARACTERISTICS BY AGENCY

DEPARTMENT/AGENCY:BUREAU	-OUTSTANDING ADVANCES VS SUBSISTENCE- TOTAL SUBSISTENCE	PERMANENT ADVANCES	TRIP BY TRIP ADVANCES	-PCT OF EMPLOYEES HOLDING ADVANCES- TOTAL EMPLOYEES	PERMANENT ADVANCES	TRIP BY TRIP ADVANCES	-AVERAGE ADVANCE AMOUNT- PERMANENT ADVANCES	TRIP BY TRIP ADVANCES
		4.52%	0.00%		21.45%	0.00%		
FTC	1560000*		91280	1665	0	218	0.00	418.71
		0.00%	5.85%		0.00%	13.09%		
FOR CLAIMS SETTL COM	13000*	0	0	24	0	0	0.00	0.00
		0.00%	0.00%		0.00%	0.00%		
GSA	3547628	278000	1507850	32787	600	5235	463.33	288.05
		7.83%	42.50%		1.83%	15.96%		
ICA	3650193	41758	1115890	8020	19	1290	2197.78	865.03
		1.14%	30.57%		0.23%	16.08%		
NASA	7401188	25726	1184177	22633	115	4306	223.70	275.00
		0.34%	16.00%		0.50%	19.02%		
NAT CAPITAL PLAN COM	8000*	0	0	52	0	0	0.00	0.00
		0.00%	0.00%		0.00%	0.00%		
NLRB	4967000*	420000	46966	2921	700	129	600.00	364.07
		8.45%	0.94%		23.96%	4.41%		
NAT MEDIATION BRD	340000*			67		0	0.00	0.00
		0.00%	0.00%		0.00%	0.00%		
NSF	2556000*	6600	148574	1262	14	323	471.42	459.98
		0.25%	5.81%		1.10%	25.59%		
USPS	51106000*		3873295	532627		0	0.00	0.00
		0.00%	7.57%		0.00%	0.00%		
SEC	2003000*	226945	226945	2009	918	918	247.21	247.21
		11.33%	11.33%		45.69%	45.69%		
SELECTIVE SRVC SYS	174000*	2600	200	67	12	1	216.66	200.00

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INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
TRAVEL ADVANCE CHARACTERISTICS BY AGENCY

	-OUTSTANDING ADVANCES VS SUBSISTENCE-			-PCT OF EMPLOYEES HOLDING ADVANCES-			-AVERAGE ADVANCE AMOUNT-	
DEPARTMENT/AGENCY:BUREAU	TOTAL SUBSISTENCE	PERMANENT ADVANCES	TRIP BY TRIP ADVANCES	TOTAL EMPLOYEES	PERMANENT ADVANCES	TRIP BY TRIP ADVANCES	PERMANENT ADVANCES	TRIP BY TRIP ADVANCES
		1.49%	0.11%		17.81%	1.49%		
SBA	4269886	83135	179294	4372	279	433	297.97	414.07
		1.94%	4.19%		6.38%	9.90%		
SMITHSONIAN	749000*	0	123979	3987	0	311	0.00	398.64
		0.00%	16.55%		0.00%	7.80%		
VA	37507667	60918	1415955	193641	202	3689	301.57	383.83
		0.16%	3.77%		0.10%	1.90%		
ITC	209000*	0	600	8020	0	2	0.00	300.00
		0.00%	0.28%		0.00%	0.02%		
ADMIN CONF OF U.S.	36000*	0		20	0	0	0.00	0.00
		0.00%	0.00%		0.00%	0.00%		
NAT ENDOW HUMANITIES	337000*	12800	1014	241	23	5	556.52	202.80
		3.79%	0.30%		9.54%	2.07%		
EEOC	4093000*			3516		0	0.00	0.00
		0.00%	0.00%		0.00%	0.00%		
NAT TRANS SAFETY BRD	792000*	66470	17055	355	230	30	289.00	568.50
		8.39%	2.15%		64.78%	8.45%		
ACTION	6023082	0	0	1699	0	0	0.00	0.00
		0.00%	0.00%		0.00%	0.00%		
PEACE CORPS	4601836			767		0	0.00	0.00
		0.00%	0.00%		0.00%	0.00%		
(OTHER ACTION)	1342310	0		932	0	0	0.00	0.00
		0.00%	0.00%		0.00%	0.00%		

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INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
TRAVEL ADVANCE CHARACTERISTICS BY AGENCY

DEPARTMENT/AGENCY:BUREAU	-OUTSTANDING ADVANCES VS SUBSISTENCE- TOTAL SUBSISTENCE	PERMANENT ADVANCES	TRIP BY TRIP ADVANCES	-PCT OF EMPLOYEES HOLDING ADVANCES- TOTAL EMPLOYEES	PERMANENT ADVANCES	TRIP BY TRIP ADVANCES	-AVERAGE ADVANCE AMOUNT- PERMANENT ADVANCES	TRIP BY TRIP ADVANCES
NAT CREDIT UNION ADM	2131000*	124137	15227	622	283	10	438.64	1522.70
		5.82%	0.71%		45.49%	1.60%		
CONSUMER PRD SFTY CM	940000*	40077	68000	879	118	140	339.63	485.71
		4.26%	7.23%		13.42%	15.92%		
RAILROAD RET BRD	747000*			1794	0	0	0.00	0.00
		0.00%	0.00%		0.00%	0.00%		
NRC	2469878	21300	1074716	2839	49	1462	434.69	735.10
		0.86%	43.51%		1.72%	51.49%		
COMMODITY FUT TD CM	435000*	5000	53307	448	10	0	500.00	0.00
		1.14%	12.25%		2.23%	0.00%		
POSTAL RATE COMM	*		518	69		2	0.00	259.00
		0.00%	0.00%		0.00%	2.89%		
PENSION BN GUAR CORP	241000*	0	9233	429	0	70	0.00	131.90
		0.00%	3.83%		0.00%	16.31%		
FEMA	792000*			2018		0	0.00	0.00
		0.00%	0.00%		0.00%	0.00%		
BIB	64000*	0	14250	9	0	8	0.00	1781.25
		0.00%	22.26%		0.00%	88.88%		
FED LABOR REL AUTH	332000*	117917	4536	240	121	20	974.52	226.80
		35.51%	1.36%		50.41%	8.33%		
MERIT SYS PRO BRD	149000*	34797	1884	291	64	12	543.70	157.00
		23.35%	1.26%		21.99%	4.12%		
INTERAMERICAN FOUND	227000*	0	26106	59		54	0.00	483.44
		0.00%	11.50%		0.00%	91.52%		

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INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
TRAVEL ADVANCE CHARACTERISTICS BY AGENCY

DEPARTMENT/AGENCY:BUREAU	-OUTSTANDING ADVANCES VS SUBSISTENCE- TOTAL SUBSISTENCE	PERMANENT ADVANCES	TRIP BY TRIP ADVANCES	-PCT OF EMPLOYEES HOLDING ADVANCES- TOTAL EMPLOYEES	PERMANENT ADVANCES	TRIP BY TRIP ADVANCES	-AVERAGE ADVANCE AMOUNT- PERMANENT ADVANCES	TRIP BY TRIP ADVANCES
AGRICULTURE	60737741	0	10264981	83898	0	25437	0.00	403.54
		0.00%	16.90%		0.00%	30.31%		
FHA	4780121			7937		0	0.00	0.00
		0.00%	0.00%		0.00%	0.00%		
SCS	7282544			13680		0	0.00	0.00
		0.00%	0.00%		0.00%	0.00%		
APHIS	6630504			4298		0	0.00	0.00
		0.00%	0.00%		0.00%	0.00%		
FSQS	3842718			11583		0	0.00	0.00
		0.00%	0.00%		0.00%	0.00%		
FOREST SVC	30881630			21953		0	0.00	0.00
		0.00%	0.00%		0.00%	0.00%		
(OTHER AGRICULTURE)	12990949			24447		0	0.00	0.00
		0.00%	0.00%		0.00%	0.00%		
COMMERCE	17800928	888457	3265425	29072	1759	4985	505.09	655.05
		4.99%	18.34%		6.05%	17.14%		
CENSUS	7058129	371914	741492	4009	650	1300	572.17	570.37
		5.26%	10.50%		16.21%	32.42%		
NOAA	7671226	371881	1478336	12823	795	0	467.77	0.00
		4.84%	19.27%		6.20%	0.00%		
(OTHER COMMERCE)	3148723	144662	1045597	12240	314	1278	460.70	818.15
		4.59%	33.20%		2.56%	10.44%		
DEFENSE	740614999	2193956	41970565	2939026	4359	98554	503.31	425.86

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INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
TRAVEL ADVANCE CHARACTERISTICS BY AGENCY

	-OUTSTANDING ADVANCES VS SUBSISTENCE-			-PCT OF EMPLOYEES HOLDING ADVANCES-			-AVERAGE ADVANCE AMOUNT-	
DEPARTMENT/AGENCY:BUREAU	TOTAL SUBSISTENCE	PERMANENT ADVANCES	TRIP BY TRIP ADVANCES	TOTAL EMPLOYEES	PERMANENT ADVANCES	TRIP BY TRIP ADVANCES	PERMANENT ADVANCES	TRIP BY TRIP ADVANCES
		0.29%	5.66%		0.14%	3.35%		
ARMY	294279898	1628219	15939792	1080233	3133	43484	519.70	366.56
		0.55%	5.41%		0.29%	4.02%		
NAVY	159645357	80000	11843266	786987	160	24301	500.00	487.35
		0.05%	7.41%		0.02%	3.04%		
AIR FORCE	186224961		8161838	788218	0	836	0.00	9762.96
		0.00%	4.38%		0.00%	0.10%		
MARINE CORPS	24547026	300000	4227000	201139	768	25000	390.62	169.08
		1.22%	17.22%		0.38%	12.42%		
(OTHER DEFENSE)	23780291	185737	1798669	72439	298	4933	623.27	364.62
		0.78%	7.56%		0.41%	6.81%		
HHS	34714773	1592008	5464207	141945	3717	18597	428.30	293.82
		4.58%	15.74%		2.61%	13.10%		
FDA	3192316	264347	307699	7677	296	963	893.06	319.52
		8.28%	9.63%		3.85%	12.54%		
HSA	7283520	204330	808323	18009	757	2488	269.92	325.29
		2.80%	11.11%		4.20%	13.81%		
CDC	2240826	39650	512470	3753	53	1046	748.11	489.93
		1.76%	22.87%		1.41%	27.87%		
NIH	2592305	21043	240269	11122	16	779	1315.18	308.43
		0.81%	9.26%		0.14%	7.00%		
SSA	10105531	957188	2784640	74933	1579	4934	606.19	564.37
		9.47%	27.55%		2.10%	6.58%		
HCFA	1939904	0	128024 *	4571	0	548	0.00	235.44

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INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
TRAVEL ADVANCE CHARACTERISTICS BY AGENCY

	-OUTSTANDING ADVANCES VS SUBSISTENCE-			-PCT OF EMPLOYEES HOLDING ADVANCES-			-AVERAGE ADVANCE AMOUNT-	
DEPARTMENT/AGENCY:BUREAU	TOTAL SUBSISTENCE	PERMANENT ADVANCES	TRIP BY TRIP ADVANCES	TOTAL EMPLOYEES	PERMANENT ADVANCES	TRIP BY TRIP ADVANCES	PERMANENT ADVANCES	TRIP BY TRIP ADVANCES
		0.00%	6.65%		0.00%	11.98%		
(OTHER HHS)	8727449	105450	680782	21880	386	1539	273.18	442.35
		1.20%	7.80%		1.76%	7.03%		
HUD	7596314	413063	732835	16101	1454	2028	284.08	361.35
		5.43%	9.64%		9.03%	12.59%		
JUSTICE	33419294	1239544	5432535	52743	1696	2826	730.86	1922.34
		3.70%	16.25%		3.21%	5.35%		
FBI	8610272	481000	277000	18440	657	238	732.11	1163.86
		5.58%	3.21%		3.56%	1.29%		
INS	6128849	37000	2255885	9727	185	100	200.00	22558.85
		0.60%	36.80%		1.90%	1.02%		
DEA	3840255	632675	1010613	4119	703	783	899.96	1290.69
		16.47%	26.31%		17.06%	19.00%		
BUREAU OF PRISONS	2539354	25004	1475607	9466	50	915	500.08	1612.68
		0.98%	58.11%		0.52%	9.66%		
(OTHER JUSTICE)	10778288	63865	413430	10991	101	790	632.32	523.32
		0.59%	3.83%		0.91%	7.18%		
LABOR	16680557	2490229	644927	21710	9239	0	269.53	0.00
		14.92%	3.86%		42.55%	0.00%		
ETA	5659696	267605	396622	3498	948	0	282.28	0.00
		4.72%	7.00%		27.10%	0.00%		
ESA	1909511	492760	52222	4991	1511	0	326.12	0.00
		25.80%	2.73%		30.27%	0.00%		

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INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
TRAVEL ADVANCE CHARACTERISTICS BY AGENCY

DEPARTMENT/AGENCY:BUREAU	-OUTSTANDING ADVANCES VS SUBSISTENCE- TOTAL SUBSISTENCE	PERMANENT ADVANCES	TRIP BY TRIP ADVANCES	-PCT OF EMPLOYEES HOLDING ADVANCES- TOTAL EMPLOYEES	PERMANENT ADVANCES	TRIP BY TRIP ADVANCES	-AVERAGE ADVANCE AMOUNT- PERMANENT ADVANCES	TRIP BY TRIP ADVANCES
OSHA	1961073	599909	39995	2855	1682	0	356.66	0.00
		30.59%	2.03%		58.91%	0.00%		
MSHA	2773818	569963		3703	1365	0	417.55	0.00
		20.54%	0.00%		36.86%	0.00%		
(OTHER LABOR)	3722449	559984	156088	6661	3733	0	150.00	0.00
		15.04%	4.19%		56.04%	0.00%		
STATE	19858054	300000	4000000	27883	7000	0	42.85	0.00
		1.51%	20.14%		25.10%	0.00%		
TRANSPORTATION	40420107	4323993	13266546	70166	5552	11534	778.81	1150.21
		10.69%	32.82%		7.91%	16.43%		
COAST GUARD	14186985	600000	1800000	6268	700	5300	857.14	339.62
		4.22%	12.68%		11.16%	84.55%		
FAA	19630285	3360263	10765000	54438	3412	4073	984.83	2643.01
		17.11%	54.83%		6.26%	7.48%		
FHWA	3138230	136014	408890	4201	578	789	235.31	519.50
		4.33%	13.06%		13.47%	18.38%		
(OTHER TRANSPORT)	2308891	227716	291656		862	1372	264.17	212.57
		9.86%	12.63%		0.00%	0.00%		
TREASURY	46068269	3327414	9565702	109382	6529	14893	509.63	642.28
		7.22%	20.76%		5.96%	13.61%		
ATF	2322802	372596		3804		0	0.00	0.00
		16.04%	0.00%		0.00%	0.00%		
CUSTOMS	5222308	51457	2521415	14583	900	3016	57.17	836.01
		0.98%	48.28%		6.17%	20.68%		

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INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT
TRAVEL ADVANCE CHARACTERISTICS BY AGENCY

DEPARTMENT/AGENCY:BUREAU	-OUTSTANDING ADVANCES VS SUBSISTENCE-			-PCT OF EMPLOYEES HOLDING ADVANCES-			-AVERAGE ADVANCE AMOUNT-	
	TOTAL SUBSISTENCE	PERMANENT ADVANCES	TRIP BY TRIP ADVANCES	TOTAL EMPLOYEES	PERMANENT ADVANCES	TRIP BY TRIP ADVANCES	PERMANENT ADVANCES	TRIP BY TRIP ADVANCES
IRS	27866612	1308758	5591131	72431	3586	11383	364.86	491.10
		4.69%	20.06%		4.95%	15.71%		
SECRET SERVICE	4955452	1594603		3553	2043	0	780.52	0.00
		32.17%	0.00%		57.50%	0.00%		
(OTHER TREASURY)	5276509		1453156			88	0.00	16513.13
		0.00%	27.54%		0.00%	0.00%		
ENERGY	10930775	482870	2753744	19005	1022	11398	472.47	241.57
		4.41%	25.19%		5.37%	59.97%		
FCC	1075000*	0	115825	2083	0	0	0.00	0.00
		0.00%	10.77%		0.00%	0.00%		
LIB OF CONGRESS	327000*	0	1200	3332	0	13	0.00	92.30
		0.00%	0.36%		0.00%	0.39%		
NEW ENGLAND REG COM	*	500	1665		1	0	500.00	0.00
		0.00%	0.00%		0.00%	0.00%		
EOP	1112000*	2000	80874	1130		233	0.00	347.08
		0.18%	7.27%		0.00%	20.61%		
EDUCATION	1962883	30000	301872	3821	20	2200	1500.00	137.21
		1.52%	15.37%		0.52%	57.57%		
GPO	300000*		13386	7672		50	0.00	267.92
		0.00%	4.46%		0.00%	0.65%		
FEC	190000*	36300	4800	242	37	0	981.08	0.00
		19.10%	2.52%		15.28%	0.00%		
TOTAL	1248685114	22680137	118967364	4462034	57676	228970	393.23	523.94
		1.81%	9.60%		1.29%	5.13%		

* SUBSISTENCE AMOUNT WAS NOT AVALIABLE. FIGURE SHOWN IS TOTAL EXPENDITURES

APPENDIX IV

GOVERNMENT-OWNED PASSENGER CARRYING AIRCRAFT

As part of gathering a comprehensive data base of travel-related data, the Project staff included a section on Government owned and leased aircraft in tho Travel Management Questionnaire. In this section, agencies were asked to list, by make and model, the passenger-carrying capacity, use and number of all aircraft owned and leased. The agency responses are summarized on Exhibit IV-1. This Exhibit does not include any aircraft reported by agencies that did not have the capability to carry passengers or that, in the judgement of the Project staff, were clearly not used for this purpose. We did, however, include aircraft that the agencies said were used for program purposes (e.g., surveillance) if the aircraft were capable of carrying passengers.

Overall, the agency responses indicated that the Federal Government owns 822 passenger carrying aircraft, almost 80% of which are owned by DOD. In addition, civilian agencies lease an additional 36 aircraft. These 860 owned and leased aircraft provide an estimated total passenger capacity of over 8500 seats. Exhibit IV-2 compares agency and bureau utilization of government aircraft for travel to the corresponding availability of owned or leased aircraft passenger capacity.

Since we did not attempt to obtain aircraft scheduling or utilization information, our data cannot be used to draw conclusions about the relative efficiency of agency aircraft usage practices. However, the information presented in Exhibits IV-1 and IV-2 do show some degree of cooperation among agencies in using available aircraft. For example, of the 41 agencies and bureaus that used Government aircraft to travel, 21 did not own or lease any aircraft. Therefore they must have used other agencies' aircraft. Additional information must be gathered if further analysis of Government aircraft utilization and management practices is desired.

Exhibit IV-1
Page 1 of 2

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

Summary of Government Owned and Leased Aircraft with Passenger Capability

Number of Passenger-Carrying Aircraft by Department or Agency

Model of Aircraft	Seating Capacity	Dept. of Agric.		Dept. of Commerce		Dept. of Defense(1)						Dept. of Energy		Dept. of Interior		Dept. of Justice		Dept. of Trans.		Dept. of Treasury		AID		EPA		NASA		NSF		TVA		Total	
						Army		USAF		Navy																							
		O	L	O	L	O	L	O	L	O	L	O	L	O	L	O	L	O	L	O	L	O	L	O	L	O	L	O	L	O	L	O	L
Cessna																																	
172	3															14																14	-
182	4															10																10	-
185	3															1																1	-
206	3-5	1												3		5																9	-
207	5															1																1	-
210	3-6															7					10											7	10
310	5															1																1	-
337	5													1																		1	-
340	5													1																		1	-
411	5															1																1	-
421	5																		2													-	2
550	7																		1													-	
Piper																																	
Aztec	5													1	1	1																2	1
Navajo	5-6														1	1																1	1
Apache	5																						1									-	1
Aerostar	5															2																2	-
Super Cub	2															10																10	-
Beech Craft																																	
King Air A-100	7-8											1																				1	-
King Air B-90	6	1																														1	-
King Air B-99	10	1																														1	-
King Air B-100	8																													1		1	-
King Air B-200	8-10												1		1			1														1	2
King Air C-90	8													1																		1	-
Queen Air A-80	4-5													1		1		4								3						9	-
Queen Air B-80	6	2																														2	-
Baron ("Twin")	2-8											1(2)													1							1	1
Baron B-55	3-6		1															3														3	1
Baron C-55	3	3																														3	-
Baron 58P	5	12	1																													12	1
Baron 58TC	5		1																													-	1
Bonanza B-50	2											1																				1	-
Convair																																	
240	37															1																1	-
440	44													1																		1	-
580	16-50											1					1															1	-
Lockheed																																	
C-100	94														1																	-	1
L-1329	10																	1														1	-
Hercules (C-130)	35(3)																											7				7	-
Grumman																																	
Widgeon	4													1																		1	-
Gulfstream I (G-159)	12-20																	2								5				1		8	-
Gulfstream II (G-1159)	12																	1														1	-
Fairchild																																	
F-27	30											1																				1	-
PC-6	2-7													1																		1	-

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

Exhibit IV-1

Page 2 of 2

Summary of Government Owned and Leased Aircraft with Passenger Capability

Number of Passenger-Carrying Aircraft by Department or Agency

Model of Aircraft	Seating Capacity	Dept. of Agric.		Dept. of Commerce		Dept. of Defense Army		Dept. of Defense USAF		Dept. of Defense Navy		Dept. of Energy		Dept. of Interior		Dept. of Justice		Dept. of Trans.		Dept. of Treasury		AID		EPA		NASA		NSF		TVA		Total	
		O	L	O	L	O	L	O	L	O	L	O	L	O	L	O	L	O	L	O	L	O	L	O	L	O	L	O	L	O	L	O	L
DeHavilland																																	
U6A	5	3																														3	-
Twin Otter	19											2																				3	-
No. American Rockwell																																	
OV-10A	2											1(2)													1							1	1
Shrike Cmdr. 500	5-6	7			2																											7	2
680	5-6	1																														1	-
Aero Cmdr. 690	5-6				2							2		3																		5	2
Misc. Types																																	
Swearingin Merlin-III	6	1																														1	-
B-26	2																								1							-	1
DC3	15-34	6														1																7	-
DC9	70												2																			-	2
Lake LA-4	3													1																		1	-
Military Designations																																	
C-9	90									14																						14	-
C-12	7-8					40				15																						55	-
C-117	35									5																						5	-
C-118	65									25																						25	-
C-131	30-44							36		17																						53	-
C-135	75							3																								3	-
CT-39A	5-6							104																								104	-
T-39	8									18																						18	-
T-41	2-4													1(1)																		1	-
T-42	2					42																										42	-
T-43	67							4																								4	-
TA-3	10									1																						1	-
U-3	2					45																										45	-
U-8	2					56																										56	-
U-21	7					66																										66	-
Helicopters																																	
Hughes H-500C	3-5											1			2	6																7	2
Boeing 105	5											2																				2	-
Bell 206	4-5	1												3	1																	4	1
UH-1	2					150																			2							150	2
Bell 214	16														1																	-	1
Hiller SL-3	3													2																		2	-
TOTALS																																	
Number of Aircraft		39	2	-	5	407	-	147	-	95	-	13	3	21	8	71	1	12	3	-	10	-	1	-	5	8	-	7	-	2	-	832 860	30
Number of Passenger Seats(4)		171	14	-	20	871	-	2407	-	3092	-	112	114	90	129	137	48	72	11	-	80	-	5	-	-	82	-	245	-	23	-	8102 8513	411

Notes: (1) Includes aircraft assigned to reserve units.

(2) Loaned from DOD.

(3) These planes are configured for cargo, but have been used to carry up to 35 passengers.

(4) Assumes that pilot and co-pilot seats were included in agency estimate of seating capacity and adjusts total passenger seats accordingly.

Exhibit IV-2

Page 1 of 2

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

Summary of Agencies Using Government Aircraft for Travel

Department/Agency: Bureau	Agency Travel Using Government Aircraft		Number of Available Aircraft Passenger Seats		
	No. of Trips(1)	Percent of All Trips(%)	Owned	Leased	Total
Agriculture:					
APHIS	8900	9.60%	-	-	-
FSQS	300	.55	-	-	-
Forest Service	129300	24.61	171	14	185
Commerce	1000	0.00	-	20	20
Defense:					
Army	1927900	27.86	871	-	871(2)
Navy	249200	9.09	3884	-	3884(2)
Air Force	938200	33.33	1928	-	1928(2)
Marine Corps	79700	14.61	-	-	-
Other Defense	75100	9.44	-	-	-
Energy	0	0.00	112	144	256
Health and Human Services:					
FDA	300	.69	-	-	-
HSA	7000	6.13	-	-	-
SSA	5000	4.01	-	-	-
Housing and Urban Development	4900	3.54	-	-	-
Interior:					
Land Management	1000	1.23	42	122	164
WPRS	4200	9.43	18	4	22
FWS	21900	23.59	N/A	N/A	N/A
NPS	7300	10.32	26	3	29
USGS	0	0.00	4	-	4
Other Interior	4800	11.85	-	-	-
Justice:					
FBI	1100	1.57	N/A	N/A	N/A
INS	5800	8.42	26	-	26
DEA	700	1.16	111	-	111
Other Justice	1700	1.01	-	48	48

Note: (1) In the context of this report, "trips" mean point to point movements. A normal "trip" involves two such movements, one out and the other back.

(2) DOD aircraft only include "administrative support aircraft" belonging to each service and not the Military Airlift Command aircraft responsible for many of the trips.

Exhibit IV-2

Page 2 of 2

INTERAGENCY TRAVEL MANAGEMENT IMPROVEMENT PROJECT

Summary of Agencies Using Government Aircraft for Travel

	Agency Travel Using Government Aircraft		Number of Available Aircraft Passenger Seats		
Department/Agency: Bureau	No. of Trips(1)	Percent of All Trips(%)	Owned	Leased	Total
Labor:					
OSHA	2400	7.61%	-	-	-
MSHA	2200	4.62	-	-	-
Other Labor	500	.88	-	-	-
State	2800	2.49	-	-	-
Transportation:					
Coast Guard	20600	4.77	23	-	23
FAA	7500	3.60	49	11	60
Treasury:					
ATF	8500	11.45	-	40	40
Customs	800	1.62	-	-	-
Secret Service	2700	2.31	-	-	-
Other Treasury	1700	2.21	-	-	-
ACTION:					
Peace Corps	1400	3.48	-	-	-
Other ACTION	1400	5.36	-	-	-
AID	1100	4.04	-	5	5
GSA	2700	4.86	-	-	-
International Communications Agency	1900	6.31	-	-	-
NASA	8200	7.08	82	-	82
National Science Foundation	N/A(3)	N/A	245	-	245
Office of Personnel Management	600	1.78	-	-	-
Tennessee Valley Authority	3500	2.89	23	-	23
Total Government	3496800	17.81%	7615	411	8026

Note: (3) The National Science Foundation spent less than $5 million on travel in FY 1979 and therefore did not submit a voucher sample for use in estimating the use of government aircraft.

WILLIAM V. ROTH, JR., DEL., CHAIRMAN
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CARL LEVIN, MICH.
JOAN M. McENTEE, STAFF DIRECTOR

United States Senate
COMMITTEE ON
GOVERNMENTAL AFFAIRS
WASHINGTON, D.C. 20510

August 12, 1981

Mr. Edwin L. Harper
Deputy Director
Office of Management and Budget
252 Old Executive Office Building
Washington, D.C. 20503

Dear Mr. Harper:

It has come to my attention in the recent oversight hearings held by the Governmental Affairs Committee on "Management of Federal Travel" that the Department of Agriculture, as the largest civilian user of federal travel, should make stronger efforts to control and manage its travel needs.

GAO in its report "Proposals for Improving the Management of Federal Travel" (FPCD-81-13) has documented abuses of travel within the Department of Agriculture based on that Department's failure to comply with OMB policies by (1) failing to keep to a minimum the number of employees traveling for a single purpose, (2) failing to use more efficient alternatives to travel, and (3) failing to limit attendance at conferences, meetings and seminars.

Other documented abuses include Agriculture officials authorizing higher than normal per diem rates, improperly prepared vouchers, internally sponsored meetings held at distances that violate OMB's "least-cost" policy, lack of written authorizations for travel and widespread use of blanket travel authorizations or GTA's. Although Agriculture was highlighted we have other evidence that HUD is violating these same OMB regulations. We can only assume that each agency could use direction and assistance in dealing with this vast problem.

The Committee is aware, and is strongly in support, of the Administration proposals regarding travel reforms as outlined in the recent and quite excellent report by the Interagency Travel Management Improvement Project. The Committee feels that participation by the Inspectors General through the President's Council on Integrity and Efficiency,

Mr. Edwin L. Harper
Page 2
August 12, 1981

and in their individual capacity, could do much to strengthen both Administration and Congressional efforts to control travel. To this end, the Committee is contacting each Inspector General office to suggest increased review and oversight of the individual agencies' travel policy.

We look forward to continued success in this area and offer the Committee's assistance in combatting this problem.

Sincerely,

Bill Roth

William V. Roth, Jr.
Chairman

WVR/kkp

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

August 17, 1981 1981 AUG 19 PM 3:40

Honorable William V. Roth, Jr.
United States Senate
Washington, D. C. 20510

Dear Senator Roth:

Thank you very much for your letter of August 12 on the subject of "Management of Federal Travel". I continue to appreciate the strong support which you and other members of your committee have given to the efforts of the Office of Management and Budget to curtail unnecessary travel. I am pleased that your committee is contacting each of the Inspector Generals offices to suggest increased review in oversight of their respective agency's travel policies.

If there is any way in which we can be further supportive of your efforts, please don't hesitate to call upon me.

Sincerely,

Edwin L. Harper
Deputy Director

WILLIAM V. ROTH, JR., DEL., CHAIRMAN
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CARL LEVIN, MICH.

JOAN M. McENTEE, STAFF DIRECTOR

United States Senate
COMMITTEE ON
GOVERNMENTAL AFFAIRS
WASHINGTON, D.C. 20510

August 12, 1981

The Honorable John R. Block
Secretary of Agriculture
Department of Agriculture
14th and Independence Avenue, S.W.
Washington, D.C. 20250

Dear Mr. Secretary:

It has come to my attention in the recent oversight hearings held by the Governmental Affairs Committee on "Management of Federal Travel" that the Department of Agriculture, as the largest civilian user of federal travel, should make stronger efforts to control and manage its travel needs.

GAO in its report "Proposals for Improving the Management of Federal Travel" (FPCD-81-13) has documented abuses of travel within the Department of Agriculture based on the Department's failure to comply with the Office of Management and Budget policies by (1) failing to keep to a minimum the number of employees traveling for a single purpose, (2) failing to use more efficient alternatives to travel, and (3) failing to limit attendance at conferences, meetings and seminars.

Other abuses include Agriculture officials authorizing higher than normal per diem rates, improperly prepared vouchers, internally sponsored meetings held at distances that violate OMB's "least-cost" policy, lack of written authorization for travel and widespread use of blanket travel authorizations or GTA's. In particular, the Committee is concerned that although Agriculture is aware of the report and recommendations, Agriculture feels that there is compliance with OMB regulations regarding travel.

The Committee would like to specifically request, despite the fact that Agriculture disagrees with GAO recommendations, that the following measures be undertaken to insure effective management and control of travel. First, we ask that the use of general travel authorizations be sharply curtailed to only those employees whose work requires frequent, routine, temporary-duty travel. Second, we ask that for all other travel a written

The Honorable John R. Block
Page 2
August 12, 1981

authorization be required. Third, we ask that the Inspector General be utilized in the process of insuring compliance with these OMB regulations and in reviewing the entire travel policy of Agriculture.

Our Committee is charged with oversight of this important issue and we hope that Congress and the Administration can work together to institute much needed reforms to control federal travel and save taxpayer dollars.

Sincerely,

Bill Roth

William V. Roth, Jr.
Chairman

WVR/kkp

cc: Edwin Harper
Deputy Director
Office of Management and Budget

John Graziano
Inspector General (Designate)
Department of Agriculture

United States
Department of
Agriculture

Office of
Inspector
General

Washington,
D.C.
20250

AUG 25 1981

Honorable William V. Roth, Jr.
Chairman
Committee on Governmental Affairs
United States Senate
Washington, D.C. 20510

Dear Senator Roth:

We share your concerns about the management of Federal travel. In April 1981, we completed a survey of travel management within USDA which evaluated the effectiveness of Departmental actions to reduce travel expenditures during FY's 1979 and 1980. In that review (copy of report, Attachment 1) we concluded that:

- Departmental management needed to establish more specific priorities for the allocation of travel funds to better insure that the most essential programs and activities requiring travel would be accomplished.
- Departmental financial management systems, internal controls and management accountability were not adequate to insure that required travel budget reductions were in fact accomplished.

USDA annually spends approximately $140 million for travel. The majority (84 percent) is spent on direct delivery of programs, services and supervision thereof; 13 percent on general administrative categories including attending conferences and training and 3 percent on relocation of employees.

The Department adopted or is in the process of implementing our recommendations (copy of Departmental response, Attachment 2). For example, a system for monitoring travel budgets and expenditures has been established which includes monthly reporting to the Deputy Secretary. Also, all travel involving conferences, meetings, seminars, or training sessions which will be attended by five or more persons in an agency must be approved in advance at the Assistant Secretary level.

We plan to continue monitoring the Department's efforts to implement our recommendations.

Sincerely,

John V. Graziano

JOHN V. GRAZIANO
Inspector General

Attachments

ATTACHMENT I

APR 29 1981

SUBJECT: Travel Management Survey

TO: Richard E. Lyng, Deputy Secretary
Joan Wallace, Assistant Secretary
for Administration

Attached are two copies of our report and recommendations pertaining to this survey. We have discussed this report with OBP&E and O&F officials and they substantially agreed with our recommendations.

We believe our conclusions and recommendations are consistent with Departmental policy as noted in the Deputy Secretary's Memorandum of March 18, 1981, and further believe that the recommendations resulting from our survey should be considered as soon as possible.

Of particular note in our report is the need for improved agency accountability to assure implementation of Departmental policies, including assuring that travel funds are targeted to program delivery and program priorities.

We would appreciate a reply to our report in 60 days.

Thomas J. B[illegible]

for ROBERT E. MAGEE, Acting
Inspector General

Attachment

OIG:FOS:A:HNSparks:llc:4-24-81
RETYPED:csm:4-28-81

USDA TRAVEL MANAGEMENT SURVEY
AUDIT REPORT 5099-15-FO

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EXHIBIT A - ANALYSIS OF FY 80 TRAVEL CEILINGS VS. ACTUAL OBLIGATIONS

EXHIBIT B - RESPONSE TO AGENCY REQUEST FOR INCREASED TRAVEL BUDGET

EXHIBIT C - COMPARISON OF TRAVEL BUDGETS - FISCAL YEARS 80-81

I - INTRODUCTION AND SUMMARY

This report presents the results of our survey of travel management within USDA, which was undertaken in anticipation of travel budget reductions by the new Administration. The purpose of our survey was to assess the overall management of travel expenditures within the Department and to evaluate the effectiveness of Departmental efforts to reduce travel expenditures during FYs 1979 and 1980, in order to develop recommendations which will better assure that USDA accomplishes essential program objectives while complying with required budget reductions.

We concluded, in summary, that Departmental management needs to establish more specific priorities for the allocation of travel funds to better insure that the most essential programs and activities requiring travel will be accomplished during periods of budgetary constraints. In addition, USDA financial management systems, internal controls, and management accountability have not been adequate to insure that required travel budget reductions have, in fact, been accomplished. Actions and accomplishments varied widely by agencies.

With respect to the availability and use of information intended to increase travel economy (city-pairs, rental contracts, and lodging guidelines), we concluded there is a need for a centralized data bank, preferably in GSA, to permit timely access to, and more effective use of, the information. At present, each unit and/or traveler is expected to keep abreast of rapidly changing information which limits the chances for achievement of the intended economies.

USDA travel expenditures approximate $140 million annually for the following types of activities: timber, soil and water resource management and conservation programs (37 percent); regulatory, inspection and control programs (30 percent); credit programs (11 percent); research, scientific exchange, and foreign market development (11 percent); commodity price support and crop insurance programs (6 percent); domestic feeding programs (4 percent); and Departmental administration (1 percent). The Department estimated, in response to an OMB survey in 1980, that the bulk of USDA travel funds (84 percent) was expended on direct delivery of programs and services and supervision thereof. About 13 percent of all travel was in the general administrative categories including attending conferences and training. The remaining 3 percent was for relocation of employees.

Exhibits A and C provide summary information on FY 1980 and 1981 budgets and FY 1980 expenditures by individual Agencies.

II - RECOMMENDATIONS

Our recommendations for Departmental management include:

1. Establish documented travel priorities by Agencies, programs, and activities and use these priorities as the basis for reducing and allocating travel budgets. (See Results - 1)

2. Notify Agencies in writing of established travel ceilings and advise that ceilings may not be exceeded without written permission from the Secretary. Establish appropriate administrative sanctions and/or critical elements in standards of performance to encourage managers and Agencies to comply with ceilings and guidelines. (See Results - 2)

3. Emphasize Agencies past performance in controlling travel budgets and expenditures when establishing FY 1981 travel ceilings. (See Results - 2)

4. Designate one USDA Agency to monitor compliance with FY 1981 travel ceilings and provide authority to initiate follow-up actions. (See Results - 2)

5. Revise the standard travel voucher to include codes identifying travel purposes and insure that Agencies use this data to evaluate travel practices and needs to support budget estimates. (See Results - 3)

6. Require the use of written travel authorizations or similar approvals for travel by multiple employees to meetings and conferences. (See Results - 4)

7. Reduce travel for the purpose of explanining program regulations by providing written information to field staff. Schedule field explanations only in response to specific requests reflecting continued difficulties. (See Results - 4)

8. Increase the use of alternative communications such as conference calls and video techniques to provide instructions or hold discussions. (See Results - 4)

9. Emphasize maximum use of government-owned or leased vehicles in lieu of POV's to reduce travel costs. As appropriate, and based on full utilization of available fleets, approve vehicle purchases when it can be demonstrated that such purchases will be cost-efficient. (See Results - 4)

10. Recommend and emphasize the establishment of a government-wide central data office, preferably in GSA, where information on potential travel and lodging economies and contract requirements can be readily obtained. In the absence of essential systems, establish in USDA a small travel office for the purpose of assisting agencies to reduce travel costs and consider requesting approval to use travel agents to achieve further efficiencies. (See Results - 4)

11. Request GSA to negotiate for reduced hotel/motel rates in those regions where such contracts have not been negotiated. (See Results - 4)

12. Require that emphasis be placed on planning and scheduling of travel and the supervisory review of travel requests and claims. (See Results - 4)

13. Request Agencies to review functions of Washington, D.C. based staffs performing responsibilities requiring extensive travel to determine whether these functions could be reassigned to existing field units. (See Results - 4)

14. Request OMB concurrence to exclude travel expenditures reimbursed by non-Federal sources from required budget reductions. (See Results - 5)

III - DISCUSSION WITH MANAGEMENT

The results of our survey were discussed on April 13, 1981, with the following officials of the Office of Operations and Finance:

Larry Wilson	Deputy Director, Finance
Alan Strelser	Assistant Deputy Director, Finance
Frank Stidman	Chief, Fiscal Policy and Management Division
Art Elder	Supply Systems Analyst, Property Division

These officials were in substantial agreement with our findings and recommendations. They emphasized that the Office of Operations and Finance has the responsibility to monitor Agencies' travel expenditures, but does not have the authority to enforce Agencies' compliance with the travel ceilings.

We also discussed our survey results on April 15, 1981, with Robert Sherman, Deputy Director, Budget and Legislative Systems, and James Ewing, Budget Analyst, of the Office of Budget, Planning and Evaluation. The OBPE officials generally concurred with our recommendations. However, the officials expressed some concern that our report overstated the Department's problems and did not give sufficient credit for its successes in reducing travel expenditures. In particular, the OBPE officials pointed out that one Agency was responsible for $6.4 million of the total $9.4 million by which the Department overspent its FY 1980 ceiling, while the remaining Agencies exceeded their total ceilings by only three percent.

The significant proportion of the travel overexpenditures attributable to one Agency highlights the need to target the Department's monitoring efforts in this area, since the Agency accounts for almost one-third of USDA's travel budget. However, Exhibit A also indicates that the success of individual USDA Agencies in reducing their FY 1980 travel expenditures varied significantly. The Department's goal was to reduce its budget by $14.2 million, but the actual reduction in travel expenditures for FY 1980 amounted to $4.7 million.

Officials of both the Office of Operations and Finance and the Office of Budget, Planning and Evaluation advised during our discussions that several of our recommendations have been implemented, are in process, or are being considered. For example, the Agencies have been advised in writing of their travel ceilings for the remainder of FY 1981 although we believe some adjustments to these ceilings are warranted based on establishment of Departmental priorities. Also, O and F has established a system for monitoring travel budgets and expenditures which will include monthly reports to the Deputy Secretary. Our recommendation regarding the written authorization of travel by multiple employees to meetings and conferences is in line with the Deputy Secretary's memorandum dated March 18, 1981, requiring approval at the Assistant Secretary level or above for all travel involving conferences, meetings, seminars, or training sessions which will be attended by five or more persons in an agency. Also, we were told that action is being initiated to include the purpose of travel on vouchers.

The Office of Inspector General was represented at these discussions by Hubert N. Sparks, Director, Foreign Operations Staff, Veronica M. Campbell, Auditor-In-Charge, and James Heist, Auditor.

IV - AUDIT RESULTS

1. Establishment of Travel Priorities

There is a need for the Department to establish overall priorities by Agencies and/or programs and for individual Agencies to priortize their responsibilities in order to insure that the most essential functions requiring travel are performed. In this regard, we noted that none of the three proposals developed by OBPE for implementing the recently imposed travel reductions discussed establishing priorities, with the exception of the mention in the third alternative of a one percent reserve to be allocated throughout FY 81 for the most critical program needs.

The Secretary's FY 1979 travel reduction was accomplished by reducing Agency travel budgets across-the-board by approximately 12.5 percent of appropriated funds, but seven Agencies subsequently received budget increases based upon appeals of the reductions. For FY 1980, USDA Agencies were asked to reduce their initial travel budget requests by the same dollar amount reduced from the FY 1979 budget.

The Office of Management and Budget's (OMB) guidance for implementing the FY 1980 travel and transportation reductions mandated by Congress indicated certain priorities, specifying that the reduction should not be applied to debt collection and supervision of loans, but that the total reduction should be reallocated within the Department to compensate for the exceptions. In addition, OMB stated that emphasis should be placed upon the reduction of administrative travel. USDA had allocated its FY 1980 travel reduction prior to receiving the OMB guidelines, and the Department did not adjust its reduction to reflect the Congressional and OMB priorities. Thus, FmHA was subject to the full reduction as computed by USDA, while REA's appeal limited their reduction to approximately one-half of the Department's rate.

Many USDA Agencies have implemented the travel reductions within their Agencies by reducing the travel allocations of all divisions across-the-board, with possible subsequent adjustments on the basis of appeals. These Agencies relied primarily upon division managers to establish and implement travel priorities with, in some cases, general written or oral guidance from Agency management. Several Agencies provided no guidance to division and field managers regarding the establishment of travel priorities; for example, one official advised that his Agency considered their division and field managers the best qualified to establish priorities since these managers were the closest to the programs.

Our cursory review of the plans and instructions prepared by those Agencies which have established priorities supports the need for increased Departmental direction. For example, in their response to OBPE's inquiry about the potential program impact of the FY 1981 travel reduction, REA advised that it will be necessary for their field people to spend additional time at home, resulting in decreased productivity and a greater exposure to losses and to instances of abuse or waste in the use of loan funds. However, REA would not cancel their Agency field conference to be held in Washington, D.C. during the summer of 1981, since the Agency considers it "essential to have some face-to-face sessions where field people can be appraised of anticipated changes in REA instructions and programs and where REA staff can get a better idea of the new problems confronting the field staff." While we recognize the benefits of a conference for an Agency whose employees work out of their homes, we question whether the stated purposes of the conference, which could be accomplished to a significant degree by correspondence, are more essential than loan servicing activities and full staff productivity.

In the establishment of Departmental travel priorities, consideration also needs to be given to the extent to which travel is essential to accomplish the basic functions or mission of an Agency or program. For example, meat and grain inspections and farm inspection visits cannot be performed without travel, whereas other activities, although benefiting by on-site work, could be performed, if necessary, without such visits.

We recommend that Departmental management establish travel priorities by Agencies, programs, and activities, and that these priorities serve as the basis for reducing travel budgets in order to assure that the most essential functions requiring travel will be accomplished.

Effectiveness of USDA Efforts to Reduce Travel Expenditures

2. Although USDA has had plans in effect to reduce travel expenditures since FY 1979, actual obligations for travel have risen from $132.4 million in FY 1973 to $143.2 million in FY 1980. In both previous fiscal years for which a travel ceiling was imposed, USDA overspent the ceilings, in FY 1979 by $9.2 million and in FY 1980 by $9.4 million, or approximately 7 percent each year. Furthermore, travel budgets increased by $41.4 million, from $129.7 million in FY 79 to $171.1 million in FY 81. While we recognize that the increases in budgets and expenditures during this period have been due in part to sharp increases in travel costs and some increased program activity, we also attributed the rising USDA travel expenditures to insufficient commitment on the part of Department and Agency management to controlling travel expenditures, to a lack of reliable and timely travel expenditure data, and to problems with administration and monitoring of the FY 1979 and 1980 travel limitations.

In Fiscal Years 1979 and 1980, the Secretary mandated Department-wide reductions in travel budgets. A total of $14.2 million, or 12 percent, of the appropriation request for travel was cut in FY 1979. The same dollar levels of travel reduction were reflected in the FY 1980 appropriation request. The FY 1980 USDA travel budget reductions occurred prior to the passage of House Joint Resolution 412 (P.L. 96-86) on October 12, 1979 which called for a government-wide reduction in travel and transportation obligations for FY 1980. As a result, OMB instructed USDA to reduce its total travel and transportation budgets by 8 percent. According to OBPE officials, USDA appealed the reduction orally to OMB on the premise that the Department's self-imposed travel reductions in FYs 1979 and 1980 exceeded the OMB requirements and that expenditures for the transportation of CCC commodities and Food Stamps, USDA's two largest sources of transportation expenditures, could not be reduced. USDA budget officials could not provide documentation to show that the appeal was accepted or rejected, and stated that OMB did not fully pursue the matter.

As noted above, USDA reduced its FY 1980 budget request by $14.2 million. If the cuts had not been made, this amount would have been included in USDA's travel budget thereby increasing it to $147.9 million. Using this figure as a base, we determined that USDA actually achieved a $4.7 million or 3 percent travel reduction in FY 1980.

Officials of OBPE provided us schedules, by Agency, showing the FY 1980 travel ceilings, which we updated to include supplemental appropriations, and the FY 1980 actual obligations for travel (see Exhibit A). However, the ceiling figures were not provided in writing to the Agencies. In our opinion, the failure to provide ceilings in writing to the Agencies contributed to the Department exceeding its ceiling of $133.8 million by $9.4 million, and to 11 of the 22 Agencies exceeding their individual ceilings.

OBPE officials advised that the Agencies were instructed orally of the amount to be reduced from their initial FY 1980 budgets for object class 21, and of the remaining figures which would be included in the Explanatory Notes to the FY 1981 Budget. It was the position of the OBPE officials that the Agencies should have realized from these conversations and the instruction sessions held for all Agency budget officers that the revised budget figures represented ceilings which should not be exceeded. However, budget figures have always been considered estimates, and individual object class budgets could be exceeded provided the total approved Agency budget was not exceeded.

Agencies provided various reasons for not meeting their travel restrictions including unawareness of the ceilings, a lack of reliable and timely expenditure data, emergency programs for which additions to the travel ceilings were not granted, and inflation. In some instances, Agency officials advised that oral approvals to exceed travel ceilings were given. For example, APHIS' request for an increase in its ceiling was rejected by the Assistant Secretary for Administration. However, in transmitting the response (see Exhibit B) the Assistant Secretary pointed out that the travel ceiling was not an absolute legal limit and should be used to establish an administrative target for travel. Based on this, APHIS officials advised that oral approval was received from the Assistant Secretary for Marketing and Transportation Services to exceed the Agency's "target" levels. Officials of another Agency advised that they were instructed orally by the "highest levels of the Department" that the Agency should attempt to stay within its travel ceiling, but that the Agency was also expected to meet major program objectives. The Agency officials interpreted these remarks as permission to exceed their ceiling provided all travel undertaken after the ceiling was reached could be justified as essential to accomplishing major program objectives.

The Agency which accounted for almost one-third of total USDA travel obligations in FY 1980, overspent its ceiling by $6.4 million or 16 percent. Officials of this Agency advised that they were not aware of the Department's ceiling, and therefore, had established an even lower Agency ceiling in an effort to comply with OMB's 8 percent reduction of travel and transportation. The complexity of this Agency's budget and accounting process, with its numerous allocations and accounts, made it difficult for the officials to readily identify how the Department's ceiling and obligation figures were computed, or why the Agency had exceeded the Department's ceilings. In addition, Agency officials noted that they receive various reports of expenditures, including the Budget Object Statement, the Report on Obligations (SF 225), and disbursement reports by sub-object classifications; the reports are not consistent and are often received several months after the end of the reporting period. For example, the officials advised that their Budget Object Statement for November 1980 showed more funds expended in some accounts than their SF 225 showed as of the end of December 1980 for the same accounts, a situation which increases the Agencies' difficulties in monitoring their travel ceilings. We also noted during our survey numerous discrepancies and inconsistencies among reports of travel budgets and expenditures for the same time period.

a. Monitoring Activity

The Department had not clearly assigned responsibilities for monitoring and assuring Agencies' compliance with the travel reductions, and efforts at the Departmental level to insure Agencies' compliance with USDA's travel ceilings in both FY 1979 and FY 1980 were limited. O and F accumulated travel expenditure data on a monthly basis during both fiscal years. In FY 1979, O and F prepared summaries of budgets and expenditures as of June 1979, but Agency officials were uncertain whether this information was transmitted to the responsible Assistant Secretaries and/or Agencies. For FY 1980, O and F officials advised that since they were unable to obtain travel ceilings by Agency from OBPE, they simply forwarded the monthly travel expenditure data to OBPE. Officials of OBPE advised that they did not attempt to monitor Agencies' compliance with the travel ceilings during either fiscal year.

In essence, while travel expenditure data was obtained, the information was not effectively used due to the absence of assigned responsibility and authority to initiate action to assure corrective action.

A complicating factor in effective Departmental travel management is the division of responsibility and reporting between Agencies involved in budgeting and data accumulation. OBPE was responsible for budgeting travel funds and reported to the Director of Economics, Policy Analysis and Budget while O and F accumulated expenditure data and reported to the Assistant Secretary for Administration.

Thus, increased coordination between these Agencies, coupled with the assignment of responsibility and authority to follow-up on questionable or inconsistent travel patterns should be implemented.

b. FY 81 Travel Budgets

USDA provided guidance for the preparation of initial FY 1981 budgets which noted that the amounts budgeted for travel should be limited to the 1980 estimate plus 8.3 percent for inflation. However, the Agencies were subsequently permitted to revise the FY 1981 travel budgets without justification. As shown in Exhibit C, the total USDA revised estimate for travel increased to $171.1 million for FY 1981, an increase of $37.3 million or 28 percent above FY 1980 ceiling levels. The FY 1981 revised budget increased 19 percent above FY 1980 expenditures. OMB recently mandated a 10 percent travel reduction which would reduce USDA's budget to $151.8 million. This is still 6 percent above FY 1980 expenditures.

Exhibits A and C indicate that some Agencies are in a substantially better position to absorb a reduction in FY 1981 travel funds than other Agencies. In this regard, while USDA's revised travel budget for FY 1981 represented a total increase of 28 percent over FY 1980, individual Agency travel budget changes ranged from a decrease of 63 percent to an increase of 104 percent. Among the Agencies proposing the largest budget increases was the Science and Education Administration (SEA), which increased its travel budget by 78 percent, from $4.8 million in FY 1980 to $8.5 million in FY 1981, with no significant increases in program activity. As noted previously, one-half of the USDA Agencies overspent their FY 1980 travel budgets, by as much as 71 percent. Thus, computing FY 1981 travel ceilings on the basis of across-the-board cuts of either FY 1981 proposed budgets or FY 1980 actual travel expenditures could reward those Agencies which have been least successful in controlling travel expenditures while penalizing those Agencies which have been most successful in implementing the Secretary's directives to reduce travel during FYs 1979 and 1980.

We provided our concerns to OBPE regarding across-the-board cuts in a memo dated February 13, 1981. The FY 1981 ceilings subsequently provided to the Agencies were based upon across-the-board cuts of FY 1980 expenditures, with some allowances for program increases.

In the view of the OBPE officials, the across-the-board reduction of FY 1981 travel budgets based upon FY 1980 expenditures represented a form of priority setting. The OBPE officials concluded that all Agencies had attempted to reduce their travel expenditures during FYs 1979 and 1980, and that FY 1980 actual expenditures, therefore, reflected the funding levels needed by each Agency. The officials also advised that they had recognized the substantial increases reflected in the FY 1981 travel estimates and, therefore, had decided against using these budget figures as a basis for the FY 1981 travel ceilings.

Although we agree that USDA Agencies made some efforts during FYs 1979 and 1980 to reduce travel expenditures, the substantial differences among the Agencies between their FY 1980 travel ceilings and actual expenditures as shown in Exhibit A, the comments of various Agency officials, and the examples of potential efficiencies cited in our report led us to conclude that the level of success in reducing travel expenditures varied widely from Agency to Agency. Thus, we question OBPE's conclusion that FY 1980 actual expenditures reflected the funding levels needed by each Agency for travel. Furthermore, we believe that the difficulties in determining a completely equitable system for distributing the mandated travel reductions lends additional support to our position that such reductions should be based upon program priorities established by Department management.

c. Accountability

Another major factor which, in our opinion, restricted the effectiveness of the travel reduction efforts in FY 1979 and 1980 was the lack of provisions for manager accountability. Specifically, no penalties were established by House Joint Resolution 412, the OMB implementing instructions or USDA regulations for Agencies or managers based upon their failure to stay within the travel ceilings.

In order to better insure that USDA accomplishes necessary travel reductions, we recommend that the following measures be implemented:

1. Each agency should be provided travel ceilings in writing with instructions advising that these ceilings may not be exceeded without written permission from the Secretary. Appropriate administrative sanctions should be established for managers and Agencies which exceed their ceiling and/or travel management and accountability included as a critical element in standards of performance.

2. The criteria for establishing FY 1981 travel ceilings should recognize that those Agencies which significantly overexpended their FY 1980 ceilings are possibly in a position to absorb a larger portion of the Department's FY 1981 reduction than the

Agencies which have more carefully controlled their travel expenditures and budget requests for the past two fiscal years. Exceptions should be permitted only if the Agency can clearly identify special circumstances different from other Agencies.

3. One USDA Agency should be designated to monitor compliance with the FY 1981 travel ceilings and given authority to initiate follow-up action. This Agency should compare monthly the cumulative expenditures of each Agency against cumulative monthly budget projections, and send written summaries and recommendations to those Agencies which have exceeded the monthly budget projections, and notify Department managers.

Purpose of Travel

③ USDA has no Department-wide system for identifying and categorizing travel expenditures by the purpose of the travel, and no individual USDA Agency has developed such a system for its own internal use. In addition, many Agencies do not prepare data based upon the purposes of planned travel to support travel budget requests. Agencies which prepare supporting data by purpose for their travel budgets often retain such supporting data at subordinate unit levels and thus it is not available to Agency Budget Officers or higher level management officials in Headquarters. Thus, USDA Headquarters managers have limited reliable data regarding the purposes for which travel expenditures are planned and incurred.

The standard USDA travel voucher provides several sub-categories for reporting expenditures, but these relate primarily to the type of expenditure, such as common carrier, per diem, or actual subsistence, rather than the purpose of the trip. In addition, codes are provided to identify domestic, foreign, and relocation travel expenditures. However, the standard voucher neither provides codes for nor requires a written explanation of the purpose of travel. It is considered the responsibility of the approving official to ascertain that the travel was undertaken for necessary, approved official business.

With regard to the lack of individual Agency systems to categorize the purpose of travel expenditures, some Agency officials noted that the National Finance Center's centralized accounting system was established to eliminate individual Agency systems, and that Agencies are criticized or reprimanded if such individual systems are disclosed. Officials of the Office of Operations and Finance advised that the General Services Administration is developing codes for use on travel vouchers to describe the purpose of the travel.

Methods for preparing travel budgets vary among the Agencies. Some Agencies do not receive separate line item budget estimates for travel from subordinate units, and develop a travel estimate for the total Agency based upon prior years' expenditures or other historical data, adjusted for inflation, staffing levels, program changes, and other related factors. Other Agencies require travel budget estimate figures from subordinate units, but do not request or review the supporting data developed by these units. Several of the Agencies which prepare travel budgets and maintain supporting data at the subordinate unit level advised that their supporting data identifies the purposes of the intended travel; however, our reviews and/or discussions at the subordinate unit levels of two of these Agencies disclosed that no detailed information was compiled relative to the purposes of the planned travel. A few Agencies indicated that supporting data by purpose of travel is prepared by subordinate units and transmitted to the Agencies' headquarters for review by budget officials, and in two cases, approval by Agency management.

The absence of a system for categorizing travel expenditures has also had an impact upon the establishment of travel priorities. Without more precise historical data regarding the travel costs associated with specific programs and activities, it is difficult to estimate the travel funds necessary for the highest priority programs and activities. In addition, for those Agencies which have established travel priorities at the Headquarters management level, it is impossible to monitor whether division and field managers adhere to these priorities.

We recommend that the standard travel voucher be revised to include codes identifying the purpose of the travel. We also recommend that, in the interim, Agencies obtain summary data as to the purpose of travel to support their budget estimates and permit more effective travel management and that the supporting data be reviewed and approved at the Agencies' Headquarters levels.

Controls and Efficiency of Travel

4. Controls established by Agencies to insure the necessity of planned travel and efforts to reduce the costs of essential travel vary significantly. Manager accountability for the use of travel funds is limited since most travel is approved at the supervisory level. The responsibility to insure that essential travel is conducted in the most efficient possible manner is also delegated primarily to the supervisory level. Efforts to achieve maximum travel efficiency in the Department are hampered by regulations intended to reduce other expenditures and it is difficult to identify and keep current about the rapidly changing travel options due to a lack of centralized travel information. Consequently, we noted instances of travel which we considered questionable or which could have been accomplished more efficiently.

a. Travel Authorizations and Types of Travel

Most USDA Agencies rely upon the General Authorizations for approval of all but exceptional travel, and supervisors informally approve each trip. Travel Authorizations (Form AD-202) are used in most Agencies only for unusual travel related expenses, such as transfer of station, foreign travel, or special per diem authorizations. Some of the Agencies require approval by a Headquarters official for attendance at certain types of meetings or conferences, but most Division, Regional, and State Directors retain considerable discretionary authority for planning and approving meetings and conferences within their areas.

In an attempt to improve control over travel to meetings and conferences, O and F issued a notice (F-212) on May 22, 1980, requiring, among other provisions, that a cost analysis be prepared and kept on file by the approving official for any meeting of seven or more employees requiring travel. However, during our discussions, officials of two Agencies advised that they were unfamiliar with O and F Notice F-212, and an official of a third Agency advised that his Agency had not yet implemented the Notice. Officials of other Agencies advised that the required cost analyses were being performed and kept on file by the approving official, as specified by the Notice. However, the Notice did not require the review and approval of the cost analyses by a higher level Agency manager. In addition, the cost analyses are maintained in the files of the approving official, frequently at the Division, Regional, or State level, where they are not readily accessible for review. Thus, we question whether the implementation of this Notice, as written, will significantly improve controls over travel to meetings and conferences.

Our review of the National meeting and conference schedules prepared by the Headquarters' units of several Agencies identified areas where the need for the activity and resulting travel expenditures needs close scrutiny, especially as respects potential to accomplish the objectives in an alternate manner. For example, one Agency's FY 1981 schedule includes a National Conference, to be held in Olympia, Washington, from September 13 to September 17, 1981. A major Agency's FY 1981 schedule of In-Service Workshops, Conferences and Training Sessions included a significant number of meetings for the purpose of providing instructions, a purpose which can be accomplished, if necessary, through correspondence. The following schedule shows examples of some of the sessions we considered questionable:

Session	Place	Date	Purpose	Participants
Employment Officers Meeting	Denver, CO	3/23-27/81	To update field personnel on changes in staffing program, including performance appraisal, merit promotion, recruitment, examining, Uniform Guidelines, etc.	Employment Officers, Region and Station levels

Session	Place	Date	Purpose	Participants
GRFS Workshop	Salt Late City, UT	1/20-22/81	To provide instruction to key Regional Office and Supervisor Office people in the modified fee system.	Recreation, Lands, and Fiscal staff officers, Regional officers and Supervisor Offices
WL/F Program Planning and Budget Coordinators Workshop	Missoula, MT	9/15-17/80	To review latest instructions for preparing FY 1984 budgets, review planning guides, and review MIH codes	WO WL/F Program Specialist Regional Program Specialists
Federal Excess Personnel Property Workshop	Denver, CO	March 1981	To familiarize AS, F&AM, and CFP staffs with their staff responsibilities in regard to excess property law (FSH 104G-43-315).	Property Management Officers - AS; Fiscal Auditors - F&AM; Fire Staff Specialists

We recognize that clarifications of regulations and instructions are sometimes necessary. However, we believe that significant economies could be achieved by sending regulations and instructions in writing to the staffs responsible for their implementation, and scheduling meetings only when the volume of resulting questions indicates the need for a training session.

Some Agencies approve employee attendance at conferences sponsored by organizations whose functions, activities, and concerns could be of interest to the Agency. For example, one Agency authorizes attendance by employees at 76 different organizations' conferences, in every case authorizing attendance by more than one employee. In this regard, the Agency authorizes 43 employees to attend the conference of the Association of Government Accountants including: 3 employees from each of the 9 Regions; 1 employee from each of the 9 States and the Laboratory; 1 employee from each of the 2 Areas; and 2 employees each from 2 Headquarters offices. We also noted that the list included instances of several conferences on closely related subject areas, such as the American Society of Farm Managers and Rural Appraisers, the Association of Federal Appraisers, and the National Association of Review Appraisers.

We recognize that activity such as noted above is approved by management or supervisory officials and is considered by them as generally essential to effective operations. However, we concluded that it is these areas that would be most susceptible to establishment of priorities and high level approval to assure that such activities do not impact adversely on direct program related travel. For example, although we recognize that contacts with organizations which share Agency interests are beneficial, we believe that formalized training sessions for the purpose of improving technical or managerial skills may contribute more to employee development. In those cases where Agency participation in the conferences of outside organizations is considered vital, employee attendance should be kept to a minimal level. Although having one employee attending and summarizing information for distribution to others may not be the most desired method, in view of travel limitations and the need to accomplish program delivery this option should be considered.

A GAO report, Proposals for Improving the Management of Federal Travel, issued on December 24, 1980, recommended that the Secretary of Agriculture require written authorization for travel other than the travel of those employees whose work requires frequent routine temporary-duty travel. While we do not fully concur with GAO's recommendation, we do believe that increased controls and manager accountability, including prior written review and approval of cost analysis and trip justification, are warranted in the area of travel to meetings and conferences. Action was initiated during our review to require high level approval of certain meetings involving more than five persons.

b. Policies Hampering Efforts to Reduce Travel Costs

Agency officials informed us of several regulations which have conflicted with efforts to reduce travel costs. Studies performed by the Office of Operations and Finance (O and F) have shown that for high mileage drivers (1,000 or more miles per month) the most cost-effective policy is for agencies to purchase and maintain a vehicle fleet. However, USDA placed a moratorium on vehicle purchases except for replacements and new program requirements, because of indications that USDA owned vehicles were not always fully utilized. This, coupled with GSA's inability to provide sufficient vehicles for the Department, results in additional employees using their own vehicles at relatively high cost. Beginning with FY 1981, however, five Agencies have entered into a one-year contract to lease commercial vehicles which preliminary results indicate has achieved cost savings of approximately 3-5 cents per mile, and four other Agencies are currently in the process of contracting for vehicles.

Regulations also prohibit Government Agencies from using travel agencies to make travel arrangements. However, we were informed that the Department of Labor received an exemption to this restriction. O and F officials expressed concern that extensive use of travel agencies would ultimately result in increased travel costs to the Government and consumers. However, the current situation of frequently changing city-pairs and other travel related discounts, with no central information center, results in substantial investments of time by individual travelers or support staffs to maintain and update personal travel files, and to assure that each trip is planned in accordance with the most economical options. We believe that the savings of productive time which could result from the use of travel agents could, in itself, offset the potential increases in travel costs. Thus, this should be considered as an option if a centralized travel information system cannot be implemented.

c. Potential Travel Efficiencies

Efforts to maximize travel efficiency have been the responsibility primarily of supervisory level personnel in most Agencies. In response to our inquiries, Agencies reported few innovative measures adopted in an attempt to reduce travel costs. Several Agencies reported some success in negotiating reduced hotel/motel rates, particularly for meetings or training sessions. GSA negotiated reduced rates for Federal employees in the Southeastern and one other Region, but this effort apparently has not been completed as yet for other areas of the country. Agency officials also noted that the Federal Government does not have a central travel office established for the purpose of assisting Agencies to reduce travel costs; such an office could disseminate the successful innovative measures of one Agency to other Agencies and negotiate discounts for all Government employees. In addition, a central travel office could possibly maintain a computerized system which would assist Agencies in determining the least costly fares for trips, locations for conferences, etc; two or three of the large USDA Agencies have attempted to develop and maintain such a system for their own use, but abandoned the effort because of the frequent changes in airfares and discount plans.

We recognize that there is an airline ticket office located in the USDA complex and this office provides assistance to assure the most economical Headquarters purchases of airline tickets. However, our conclusions relate to a small overall travel information center, preferably in GSA, that compiles and provides information that can assist Agencies, including field offices, in improving travel efficiency. If GSA is unable to establish such a center, we recommend a small office within USDA to assume these functions.

Travel costs could also be significantly reduced, in our opinion, by improved scheduling of individual travel. Although we did not obtain information on individual travel scheduling or patterns, we received numerous comments during our survey that travel is frequently arranged to accommodate personal preferences or convenience, with limited consideration to the additional resulting cost to the Government. With regard to planning and scheduling, the potential exists in some Agencies to reduce costs by considering seasonal rate fluctuations, where applicable, when scheduling routine work requiring travel in such areas. We were also advised by frequent travelers that it is common practice to upgrade accommodations and meal expenditures because of increased per diem, rather than on the basis of need. Our subjective conclusion is that improved planning and scheduling of travel and supervisory review of claims could result in substantial savings. Also, per diem rates are maximums and Agency officials have authority to reduce rates when discount or multiple accommodations are used.

In their efforts to comply with the recently enacted travel reductions, REA officials have indicated that they plan to shift to field employees the responsibility for conducting Civil Rights compliance reviews which have been performed by a Headquarters based unit. We believe this cost savings approach may have applicability to other Agencies, which may also have Washington, D.C. based staffs performing functions requiring extensive travel which could be reassigned to existing field units.

In summary, we recommend that USDA implement the following measures in order to improve management accountability for controls over and efficiency of travel expenditures:

1. Require that written authorizations, including the purpose and justification, be prepared for travel by multiple employees to meetings and conferences and maintain a control file of such approvals.

2. Reduce travel for the purpose of explaining program regulations by providing written information to field staffs. Schedule field explanations only in response to specific requests reflecting continued difficulties.

3. Increase the use of alternative communications such as conference calls and video techniques to provide instructions or hold discussions.

4. Emphasize maximum use of government-owned or leased vehicles in lieu of POVs to reduce travel costs. As appropriate, and based on full utilization of available fleets, approve vehicle purchases when it can be demonstrated that such purchases will be cost-efficient.

5. Recommend and emphasize the establishment of a government-wide central data office, preferably in GSA, where information on potential travel and lodging economies and contract requirements can be readily obtained. In the absence of essential systems, establish in USDA a small travel office for the purpose of assisting agencies to reduce travel costs and consider requesting approval to use travel agents to achieve further efficiencies.

6. Request that GSA negotiate for reduced hotel/motel rates in those Regions where such contracts have not been negotiated. If GSA is unable to expand its efforts, USDA should attempt to negotiate reduced rates for Departmental employees in the remaining Regions.

7. Improve the planning and scheduling of travel and the supervisory review of claims to combat the practices of arranging travel to accommodate personal convenience and unnecessarily upgrading accommodations and meal expenditures to per diem maximums.

8. Review the functions of Washington, D.C. based staffs performing responsibilities requiring extensive travel to determine whether these functions could be reassigned to existing field units.

Travel Funds from Non-Federal Sources

5. Approximately $12 million or 8 percent (based on FY 1980 expenditures) of USDA's travel costs are reimbursed by non-Federal sources and therefore cannot be controlled by the Agencies. However, such expenditures have also been subject to the FY 81 mandated cuts because they are included in USDA's travel budget. This will cause affected Agencies to cut more deeply into their non-reimbursed activities. FSQS, for example, is reimbursed for activities such as overtime inspection services and grading. Travel to perform these activities constitutes approximately 32 percent of FSQS' total travel budget.

We recommend that USDA request OMB concurrence to exclude travel expenditures reimbursed by non-Federal sources from required budget reductions.

29 APR 1981

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GERALD W. PETERSON,
Acting Assistant IG - Audit

ANALYSIS OF FY 80 TRAVEL CEILINGS VS. ACTUAL OBLIGATIONS

($ IN THOUSANDS)

AGENCY	(a) 1980 ACTUAL	(b) 1980 CEILING 1/	(c) PERCENT OF CEILING
SEC	327	202	162%
DA	739	431	171
GPA	100	276	36
OIG	5,626	5,529 4/	102
OGC	229	188	122
SEA	5,782	4,773	121
ESCS 2/	1,911	1,916	100
WFAOSB	36	54	67
FAS	1,829	1,669	110
OICD	3,719	3,502	106
ASCS 3/	4,480	5,266	85
FCIC	4,280	4,673	92
REA	1,491	1,531	97
FmHA	15,124	15,327	99
SCS	10,066	10,240	98
APHIS	8,421	7,127	118
FGIS	2,985	3,422	87
AMS	5,540	5,602	99
OT	113	145	78
FSQS	18,643	16,864	111
FNS	4,969	4,600	108
FS	46,824	40,432	116
Total	143,234	133,769	107

1/ Includes supplemental appropriations

2/ Includes Economics and Statistics Service plus Agricultural Cooperative Service

3/ Includes CCC

4/ Approximately $183,000 in additional travel funds were available to OIG through reimbursement agreements with FNS and CCC.

DEPARTMENT OF AGRICULTURE
OFFICE OF ASSISTANT SECRETARY FOR ADMINISTRATION
WASHINGTON, D.C. 20250

SUBJECT: APHIS Travel Costs in Fiscal Year 1980

JUL 2 1980

TO: James O. Lee, Jr.
Acting Administrator
Animal and Plant Health
Inspection Service

Your memorandum of June 12, 1980, requested our approval to raise your travel limitation for Fiscal Year (FY) 1980. We understand your rationale for requesting additional travel funds. Unfortunately, we are not in a position to approve your request at this time. Our latest review of USDA travel costs shows that such funds are just not available. Thus, we are not able to honor your request.

THE "Sasser Amendment" to P.L. 96-86 mandated an Executive Branch reduction in travel and transportation costs and provided that OMB should allocate the reduction within the Executive Branch.

The Secretary informed OMB of the travel reductions previously taken by USDA in both FY 1979 and FY 1980. He advised OMB that the Department would carry out its activities within the amounts identified for FY 1980 travel and transportation. These amounts were included in the object class tables contained in the Explanatory Notes provided to Congress to supplement the presentation of the President's FY 1981 budget. While the amount of the travel and transportation limitation allocated to USDA has remained a point of controversy throughout the year, the Secretary has continued to sustain his original position as provided to OMB and rejected proposals for further reductions for the travel and transportation limitation for the Department.

The amounts for travel and transportation reflected within the Explanatory Notes do not appear to be an absolute legal limit under the provisions of the Anti-deficiency Act. They should be used, however, as control figures for establishing administrative targets for travel and transportation within each agency.

This limitation applies to the combined total for travel and transportation cost. Therefore, to the extent you can achieve such reductions in transportation, additional amounts can be used to meet your agency's travel requirements.

John A. Miranda
for JOAN S. WALLACE
Assistant Secretary
for Administration

EXHIBIT B

COMPARISON OF TRAVEL BUDGETS - FISCAL YEARS 80-81

AGENCY	1980 1/	1981	
SEC	202	283	+40%
DA	431	683	+58%
GPA	276	102	-63%
OGC	188	230	+22%
OIG	5,529	6,844	+24%
ESCS	1,916	2,447 2/	+28%
WFAOSB	54	75	+39%
SEA	4,773	8,484	+78%
APHIS	7,127	8,648	+21%
AMS	5,602	6,268	+12%
FGIS	3,422	4,035	+18%
OT	145	190	+31%
FAS	1,669	2,280	+37%
OICD	3,502	4,738	+35%
ASCS 3/	5,266	5,006	- 5%
FCIC	4,673	9,531	+104%
REA	1,531	1,935	+26%
FmHA	15,327	18,827	+23%
SCS	10,240	11,944	+17%
FSQS	16,864	21,203	+26%
FNS	4,600	5,950	+29%
FS	40,432	51,401	+27%
Total	133,769	171,104	+28%

1/ As shown in 1981 budget explanatory notes, this was the ceiling agencies were told to adhere to. Figures included supplementals which provided for travel as a line item.

2/ Includes ESS and ACS

3/ Includes CCC

EXHIBIT C

ATTACHMENT II

DEPARTMENT OF AGRICULTURE
OFFICE OF ASSISTANT SECRETARY FOR ADMINISTRATION
WASHINGTON, D.C. 20250

JUL 27 1981

SUBJECT: USDA Travel Management Survey
Audit Report 5099-15-FO

TO: Robert Magee, Acting Inspector General
Office of the Inspector General

The subject audit report covered in great detail most aspects of the Department's travel management practices.

The observations and recommendations contained in the report will be very helpful in this endeavor.

The Office of Operations and Finance is committed to the improvement of travel management within the Department.

Our comments to the recommendations are continued in the attachments to this memorandum. Please let me know if you wish to discuss them further.

JOHN E. SCHROTE
Deputy Assistant Secretary
for Administration

Attachments

STATEMENT OF ACTION
USDA TRAVEL MANAGEMENT SURVEY
AUDIT REPORT 5099-15-FO

Recommendation 1

"Establish documented travel priorities by agencies, programs, and activities and use these priorities as the basis for reducing and allocating travel budgets."

Response

While we agree with the recommendation, this is an area in which OBPA should respond.

Recommendation 2

"Notify agencies in writing of established travel ceilings and advise that ceilings may not be exceeded without written permission from the Secretary. Establish appropriate administrative sanctions and/or critical elements in standards of performance to encourage managers and agencies to comply with ceilings and guidelines."

Response

We agree with this recommendation. OBPA has established formal ceilings for FY 81. We believe that General Officers should be responsible for establishing administrative sanctions.

Recommendation 3

"Emphasize agencies past performance in controlling travel budgets and expenditures when establishing FY 1981 travel ceilings."

Response

This is totally an OBPA responsibility but we agree that past performance should be a factor in determining travel ceilings.

Recommendation 4

"Designate one USDA agency to monitor compliance with FY 1981 travel ceilings and provide authority to initiate follow-up actions."

Response

We concur with this recommendation. On March 18, 1981, Deputy Secretary Lyng issued a memorandum to heads of agencies. This memorandum stated that O&F would conduct a monthly review of agency progress in meeting established travel goals. A review was performed utilizing expenditure data for the month of April 1981. A similar review/report will be prepared in each succeeding month. Problem areas or agencies are being brought to the attention of the appropriate Assistant Secretary via a memorandum.

Recommendation 5

"Revise the standard travel voucher to include codes identifying travel purpose and insure that agencies use this data to evaluate travel practices and needs to support budget estimates."

Response

We concur with this recommendation. The agencies are being asked to provide O&F with proposed purpose-of-travel codes. An F notice to this effect was issued on May 12, 1981.

A revision to the AD-616 Standard Travel Voucher will be required regardless of the coding scheme adopted. Since this form was recently reprinted a very large supply is currently on hand. In addition, the NFC will be required to make changes to the travel system that currently processes the voucher data. These changes may delay somewhat early implementation of the recommendation. We have recently entered into preliminary discussions with the NFC on this project. They are currently in the process of reviewing systems requirements and time frames for implementation.

Recommendation 6

"Require the use of written travel authorizations or similar approvals for travel by multiple employees to meetings and conferences."

Response

We concur with this recommendation. Deputy Secretary Lyng's March 18, 1981, memorandum to Heads of Department Agencies requires General Officer approval when five or more persons in an agency attend a meeting or conference simultaneously.

Recommendation 7

"Reduce travel for the purpose of explaining program regulations by providing written information to field staff. Schedule field explanations only in response to specific requests reflecting continued difficulties."

Response

We concur with this recommendation. We will issue a directive stressing the need for moderation in this area. However, the agencies and staff offices must continue to have sufficient latitude to exercise their managerial prerogatives in controlling this type of travel.

Recommendation 8

"Increase the use of alternative communications such as conference calls and video techniques to provide instructions or hold discussions."

Response

We concur with this recommendation. Deputy Secretary Lyng's memorandum covered this item under "General Guidelines."

Although telecommunications costs will rise steeply in the years ahead, this form of interaction will remain a viable option which our managers should make more use of.

Recommendation 9

"Emphasize maximum use of government-owned or leased vehicles in lieu of POV's to reduce travel costs. As appropriate, and based on full utilization of available fleets, approve vehicle purchases when it can be demonstrated that such purchases will be cost efficient."

Response

We concur with this recommendation. We aggressively took the lead in coordinating a multi-agency initiative to lease additional motor vehicles. Recent travel data shows a marked increase in the use of GSA short term leased vehicles. We will continue to actively expand the leasing program since it is producing substantial savings in both energy and dollars.

We have already amended the definition of a high mileage driver to increase the universe of potential leased vehicle users.

Recommendation 10

"Recommend and emphasize the establishment of a government-wide central data office, preferably within GSA, where information on potential travel and lodging economies and contract requirements can be readily obtained. In the absence of essential systems, establish in USDA a small travel office for the purpose of assisting agencies to reduce travel costs and consider requesting approval to use travel agents to achieve further efficiencies."

Response

O&F would prefer, because of staffing and budgetary constraints, to have GSA perform the functions of a centralized travel data office. Up to this point GSA has done a credible job of disseminating information on common carrier contracts and lodging accommodations. As of April 1981 GSA began publishing, in conjunction with the Official Airline Guide, a monthly booklet which contains a nationwide listing of hotels/motels under contract in addition to all common carrier city-pairs. O&F will ensure that all the agencies are receiving and using the travel information contained in this publication.

Our reading of current trends indicates that the use of travel agents, which is presently proscribed by GAO, may be encouraged in the future. We will continue to examine the possibility of using travel agents and will request an agency to volunteer for a test after we receive GAO approval.

Recommendation 11

"Request GSA to negotiate for reduced hotel/motel rates in those regions where contracts have not been negotiated."

Response

We concur with this recommendation. GSA has, as of May 1, 1981 negotiated for reduced rates in all their regions, see response to Recommendation 10.

Recommendation 12

"Require that emphasis be placed on planning and scheduling of travel and the supervisory review of travel requests and claims."

Response

We concur with this recommendation. We believe that the initiatives outlined in this response will encourage planning and scheduling of travel."

Recommendation 13

"Request agencies to review functions of Washington, D.C. based staffs performing responsibilities requiring extensive travel to determine whether these functions could be reassigned to existing field units."

Response

We agree with the objective of this recommendation. However, since decisions to shift program responsibilities lie within an agency's control we will advise the General Officers by letter to address this subject with their respective agencies.

Recommendation 14

"Request OMB concurrence to exclude travel expenditures reimbursed by non-Federal sources from required budget reductions."

Response

We agree with this recommendation. Agencies must meet their non-Government customers' demands for service. This matter should be pursued at a relatively high Department level. As a minimum, OBPA should factor out non-Government reimbursables when they allocate travel reductions.

United States Senate
COMMITTEE ON
GOVERNMENTAL AFFAIRS
WASHINGTON, D.C. 20510

August 12, 1981

Mr. Sherman M. Funk
Inspector General
United States Department of Commerce
Washington, D.C. 20230

Dear Mr. Funk:

It has come to my attention in recent oversight hearings held by the Governmental Affairs Committee on Management of Federal Travel that stronger efforts to control and manage Agency travel needs are necessary. Reports from the General Accounting Office, the General Services Administration and the Interagency Travel Management Improvement Project reveal serious deficiencies in agency management of employee travel.

With this data, both Congress and the Administration can create legislative and administrative remedies to improve travel management in the agencies. The Inspectors General can be a vital link in insuring that agency regulations and policies are complied with and that curbing unnecessary travel is made an important management goal across the federal government.

With your concentrated review and oversight of travel practices in your agency, Congress and the Administration can be more assured that federal personnel travel only when necessary and in the most economical manner.

Sincerely,

William V. Roth, Jr.
Chairman

WVR/jlm

WILLIAM V. ROTH, JR., DEL., CHAIRMAN

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CARL LEVIN, MICH.

JOAN M. MC ENTEE, STAFF DIRECTOR

United States Senate
COMMITTEE ON
GOVERNMENTAL AFFAIRS
WASHINGTON, D.C. 20510

Identical letters sent to the following Inspectors General:

Joseph H. Sherick, Office of the Secretary of Defense
James R. Richards, Department of Energy
Richard Mulberry, Department of the Interior
Thomas F. McBride, Department of Labor
Joseph P. Welsch, Department of Transportation
K. William O'Connor, Community Services Administration
Joseph A. Sikon, General Services Administration
June Gibbs Brown, National Aeronautical and Space Administration
John V. Graziano, Department of Agriculture
James B. Thomas, Jr., Department of Education
Richard P. Kusserow, Department of Health and Human Services
Edward C. Schmults, Department of Justice
Robert L. Brown, Department of State
Paul K. Trause, Department of Treasury
Matthew N. Novick, Environmental Protection Agency
Herbert L. Beckington, Agency for International Development
Frank Sato, Veterans Administration
Charles L. Dempsey, Department of Housing and Urban Development

UNITED STATES DEPARTMENT OF COMMERCE
The Inspector General
Washington, D.C. 20230

September 9, 1981

Honorable William V. Roth, Jr.
Chairman, Committee on
  Governmental Affairs
United States Senate
Washington, D.C.   20510

Dear Mr. Chairman:

You recently advised me of your interest in our conducting a review of the travel policies of the Department of Commerce. I share your concern about travel management, for these reasons:

o First, there are obvious economies which can be realized by eliminating needless travel. Most of the attention in this area has been focused on overseas and first-class travel, and these categories of course warrant particularly close watch. Nevertheless, in view of the availability of conference calls, facsimile transmission and other telecommunication conveniences, it is likely that much ordinary travel which agencies have come to take for granted is no longer required.

o Second, the IGs are uniquely positioned to "police" travel management. Our cross-cutting look at agency programs and operations gives us a chance to review the real need for travel, as well as the effectiveness of business conducted on travel status, e.g., monitoring of grants, participation in conferences.

o Third, the ability of agencies to manage something as basic as travel is indicative of their overall administrative efficiency. Thus, deficiencies encountered here may well point to other and perhaps larger problems in agency management.

We are now completing a limited audit review of Commerce travel, including first-class and foreign travel authorizations. We also are working with GAO to resolve certain first-class travel issues pertaining to former Department officials. In developing our audit program for FY 1982, we initially had projected a comprehensive audit of Department travel that would build on and expand our current effort in this area. I regret that we had to slip this to an alternate in our FY 82 program, i.e., as a subject which only could be covered if we dropped a higher priority audit.

We have only 33 staff years available for management audits, to address all programs in the Department. Given this resource constraint, the number of other areas which urgently warrant our attention, and the travel work we are now completing, we are unable to reinstate the comprehensive travel audit in our FY 82 program. We shall continue it as an alternate, however, and also we shall assure that travel deficiencies are identified where appropriate in our other scheduled audits.

Sincerely,

Sherman M. Funk
Inspector General-designate

1981 SEP 10 PM 2 38

OFFICE OF THE SECRETARY OF DEFENSE
WASHINGTON, D.C. 20301

(Review and Oversight)

2 5 AUG 1981

Honorable William V. Roth, Jr.
Chairman, Committee on Governmental Affairs
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

I share the concern expressed in your August 12, 1981 letter regarding the need to strengthen review and oversight of travel practices in the Department of Defense. At my request, the Defense Audit Service initiated a comprehensive review of travel on August 7, 1981. The attached memorandum highlights the intended purpose of the review. Your specific areas of concern will be addressed in the review.

As part of a continuing review and oversight effort of travel practices in DoD, the Defense Audit Service will be developing detailed audit guidelines to be made available to other audit, internal review and inspector general organizations in the Services and Defense Agencies.

Sincerely,

Joe Sherick

Joseph H. Sherick
Assistant to the Secretary of Defense
(Review and Oversight)

Enclosure

DEFENSE AUDIT SERVICE
1300 WILSON BOULEVARD
ARLINGTON, VIRGINIA 22209

AUG 7 1981

MEMORANDUM FOR Assistant Secretary of Defense(Comptroller)
Assistant Secretary of the Army(IL&FM)
Assistant Secretary of the Air Force(FM)
Directors, Defense Agencies
Deputy Under Secretary of the Navy(FM)

SUBJECT: Review of Travel in the Department of Defense (Project 1AB-138)

We plan to review travel practices at selected activities in the Department of Defense. The primary purpose of our review will be to determine the adequacy of internal controls for requesting, approving and processing travel orders and subsequent payment of related travel claims. The initial phase of our review will consist of a vulnerability analysis to identify the potential for fraud, abuse or illegal acts. During this phase, selected activities will be identified for further evaluation.

The Program Director for the review is Mr. Larry Fong and the Project Manager is Mr. Allen Wyllie. We request that a point of contact be designated from your organization so that arrangements can be made to start the review in August 1981. The names of the individuals should be furnished to Mr. Fong on 694-3967 or Mr. Wyllie on 694-1415.

John W. Melchner
Director

ENCLOSURE

UNITED STATES DEPARTMENT OF EDUCATION
WASHINGTON, D.C. 20202

OFFICE OF INSPECTOR GENERAL

August 25, 1981

Honorable William V. Roth, Jr.
Chairman, Committee on
 Governmental Affairs
United States Senate
Washington, D. C. 20510

Dear Mr. Chairman:

This is in response to your August 12, 1981 letter concerning the need for stronger efforts to control and manage Federal travel. We share your concerns related to general travel authorizations, conference travel, first-class travel and overseas travel. We agree that there is a need for the Inspectors General to review agency travel practices to ensure that Federal personnel travel only when necessary and in the most economical manner; however, because of staffing constraints within the Office of Inspector General we are unable at this time to program a review of the travel policies of the Department of Education. We will, however, keep your concerns in mind when preparing our future audit plans. We will also include audit steps to evaluate the appropriateness of agency travel in our reviews of major programs administered by the Department.

If I can be of further assistance in this matter, please let me know.

Sincerely yours,

for John C.
James B. Thomas, Jr.
Inspector General

Department of Energy
Washington, D.C. 20585

September 3, 1981

Honorable William V. Roth, Jr., Chairman
Committee on Governmental Affairs
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

Since Mr. James Richards, the Inspector General Designate, is not yet on duty, I have taken the liberty of responding to your August 12, 1981 letter regarding review of travel policies of the Department of Energy. I know I speak for Mr. Richards when I say that you can be assured that we in the Office of the Inspector General are deeply concerned with the burgeoning federal expenditures for travel and related costs.

The close study given to travel management by the Office of Management and Budget, the General Accounting Office, and the Congress is well-placed, and the recent initiatives are certain to yield significant improvement and economies to the Federal Government.

During 1981 we issued several reports on various aspects of DOE funded travel of selected DOE field offices and contractors. These reports dealt with first class air travel and control over travel advances and travel requests.

Sincerely,

James K Wright

James K. Wright
Acting Inspector General

DEPARTMENT OF HEALTH & HUMAN SERVICES
Office of Inspector General
Washington, D.C. 20201

17 SEP 1981

SEP 22 1981

Honorable William V. Roth, Jr.
Chairman, Committee on
Governmental Affairs
United States Senate
Washington, D. C. 20510

Dear Mr. Chairman:

Thank you for your letter of August 21, 1981 expressing your observations and concerns on the management of Federal travel. I share those concerns that stronger efforts are needed to control and manage employee travel.

Your request for an Inspector General review is timed appropriately. My audit staff is presently completing an audit and evaluation of this issue which, when finalized, will be forwarded to your office. While our audit did not address all of the questions raised in your letter, it did cover most of them. Our future reviews will include these new points.

If I can be of any further assistance, please let me know.

Sincerely yours,

RKusserow

Richard P. Kusserow
Inspector General

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF INSPECTOR GENERAL
WASHINGTON, D.C. 20410

August 21, 1981

IN REPLY REFER TO:

Honorable William V. Roth, Jr.
Chairman, Committee on
Governmental Affairs
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

We are responding to your letter of August 12, 1981 regarding travel management in HUD.

I can assure you that we share your concerns regarding the need for HUD to effectively manage its travel. HUD has recently taken several initiatives in the area of controlling and managing travel funds.

Enclosed are several recent issuances by the Department concerning the management and control of travel:

- New procedures governing the application of the statutory and regulatory maximums on per diem and actual subsistence expenses pursuant to the Comptroller General's decision (May 26, 1981).
- More specific documentation to support the purposes of travel under Consolidated Travel Authorizations (April 14, 1981).
- Increased use of contract airline service to achieve travel economies (March 16, 1981 and February 4, 1981).
- Tighter controls over special purpose travel, including travel to Alaska or Hawaii and all international travel. The Secretary must approve all special purpose travel beforehand (February 10, 1981).
- Implementation of a policy to charge interest on delinquent travel advances pursuant to the Federal Claims Collection Standards (January 12, 1981).
- Implementation of a policy to prohibit the taking of annual leave while on travel status except in unique or emergency situations (January 10, 1981).
- Implementation of a policy requiring employees to relinquish to the Department all material (i.e., coupons, cash, merchandise, etc.) received while on official travel (June 26, 1980).
- Tighter restrictions on the use of first-class travel accommodations (May 13, 1980 and April 5, 1978).

In addition, HUD has scheduled a meeting this week to discuss its travel management. This meeting should result in several new initiatives being undertaken.

Deputy Inspector General Paul A. Adams will be contacting Ms. Linda Townsend of your staff on Monday to arrange a meeting in an effort to obtain a better understanding of your concerns as well as to discuss the scope of any review by this office.

Sincerely,

Charles L. Dempsey
Inspector General

Enclosures

U.S. Department of Housing and Urban Development
ADMINISTRATION

Special Attention of:

Notice 81-15

Issued: 5/26/81
Expires: 11/26/81

Cross References: 2300.2

Subject: Limitation on Subsistence Payments (Lodging, Meals, etc.) Whether Contracted, Reimbursed to the Traveler or a Combination of Both

1. PURPOSE. This Notice establishes a new application of the statutory and regulatory maximums on per diem and actual subsistence expenses. It implements Comptroller General (CG) Decision B-195133 dated January 19, 1981.

2. EFFECTIVE DATE. The provisions of this Notice are effective for travel on or after January 20, 1981.

3. APPLICABILITY. This Notice is applicable to official travel as provided in paragraph 1-6 of the Travel Handbook, 2300.2.

4. BACKGROUND. The CG states in Decision B-195133: "It is well established that officers of the Government may not do indirectly that which a statute or regulation forbids doing directly." The CG concludes, therefore, that the statutory and regulatory limitations on per diem and actual subsistence rates normally reimbursed to employees are equally applicable to:

   (a) contracts or purchase orders entered into by agencies for lodging and/or meals, and

   (b) the combined cost of lodging and/or meals, furnished to travelers under a Government contract or purchase order plus the per diem or actual subsistence reimbursed to the traveler.

   Accordingly, appropriated funds are not available to pay per diem or actual subsistence expenses in excess of that allowed by statute or regulation whether directly or indirectly.

ASE: Distribution: W-3-1, W-G, R-1, R-2, R-3, R-3-2, R-4, R-4-1,
R-4-2, R-5, R-5-1, R-5-2, 018

5. CONTRACTS/PURCHASE ORDERS FOR LODGING/MEALS.

   a. General.

      (1) Contracts or purchase orders for lodging and/or meals may not exceed the applicable statutory or regulatory maximums for per diem or actual subsistence expenses authorized under Federal Travel Regulations. It is incumbent on a hotel or motel to itemize its bills so that agencies use appropriated funds properly. Itemization will also ensure that payments are made only for necessary items of subsistence. In this regard, the CG has held that coffee, soft drinks and similar refreshments are in the nature of entertainment and are not payable from appropriations in the absence of specific statutory authority. 47 Comp. Gen. 657 (1968); B-188078, May 5, 1977; B-197830, April 22, 1980.

      (2) When contracts or purchase orders include costs for use of conference or training facilities and related supplies such as flip charts, blackboards, lectern or audio visual equipment, such costs should be set out separately since they are not subject to the subsistence limitations set forth in CG Decision B-195133.

   b. Contract/Purchase Order Costs for Lodging and/or Meals. When contracting for lodging and/or meals for travelers, consideration shall be given to the applicable per diem or actual subsistence expense allowable. Generally, the cost of contracted lodging should not exceed 55% of the maximum per diem or actual subsistence expense allowable. Such cost should be even less, when feasible, since the difference between the contracted lodging cost and the statutory or regulatory limitation is the maximum allowable to the employee. For example, if the lodging cost under contract in a per diem location is $27.50 (55% of $50 maximum per diem), the per diem allowance for the employee is limited to $22.50.

6. USE OF GOVERNMENT-FURNISHED QUARTERS/MEALS. When lodging and/or meals are provided to travelers under Government contract, they should be treated as Government-furnished quarters or meals.

   a. Determination of Necessity. The general rule is that agencies may not require its employees to use Government-furnished quarters or meals without making a finding or determination that use of such quarters and/or meals is necessary to accomplish the travelers mission. Employees should only be required to take Government-furnished meals at a specific place when it is clearly required by the circumstances and only after consideration of both the Government's and employee's interest.

b. Requisitions for Lodging and/or Meals. Requisitions covering lodging and/or meals must include a certification that such a finding or determination has been made, e.g., it has been determined that the use of the requested lodging/meals by the travelers involved is necessary to accomplish the travelers' mission, all things considered.

7. PER DIEM.

a. Lodgings-Plus Method. The lodgings-plus method of computing per diem is normally inappropriate when Government-furnished lodgings or meals are furnished to an employee at no charge. This method may be used, however, when only lodging is furnished and the cost of the lodging plus the prescribed allowance for meals and miscellaneous subsistence expenses, (now $23) does not exceed the maximum per diem. This would be appropriate when the lodging provided under contract is $27 or less. When the cost of lodging furnished under contract exceeds $27, the lodgings-plus method of computing per diem is not appropriate and a flat rate per diem, at a reduced rate, should be established, as provided in paragraph b. below.

b. Flat Rate Per Diem. A flat rate per diem at a reduced rate should be established in advance of the travel when the lodgings-plus method of computing per diem is inappropriate. In these cases, an individual travel order, Form HUD-25 is required as provided in paragraph 5-12 of the HUD Travel Handbook 2300.2. When establishing the reduced per diem rate, consideration must be given to the contract cost of the lodging and/or meals. It is the responsibility of the authorizing official to assure that the authorized per diem plus the contract cost does not exceed the maximum allowable per diem.

8. ACTUAL SUBSISTENCE EXPENSE. No reimbursement will be made to travelers for lodging and/or meals furnished under a Government contract or purchase order. In addition, reimbursement for other subsistence expenses may not exceed the difference between the prescribed maximum rate and the direct costs to the Government for lodging and/or meals. For travel to a high rate geographical area, the total cost to the Government (contract cost plus reimbursement to the traveler) is limited to the prescribed maximum for the high rate area.

9. INFORMATION CONCERNING COST OF GOVERNMENT-FURNISHED LODGING OR MEALS.

a. National Training Center. The Department has contracts for lodging at or near the National Training Center. The cost of lodging under these contracts may vary between the contractor hotel or motel.

(1) Training. Employees traveling to the National Training Center at Columbia, Maryland for training purposes (trainees

or instructors) will be advised by the Training Center of their authorized per diem rate. The rate will be established as provided in this Notice.

(2) Conferences/Seminars. When conferences, seminars or similar gatherings are held at the Training Center, the authorizing official for travel to attend the event shall ascertain the cost of the Government-furnished lodging to be used by the travelers. This information may be obtained from the Administrative Officer at the Training Center. The authorizing official is then responsible for establishing and authorizing a reduced per diem in accordance with this Notice.

b. All Other. When lodging and/or meals are contracted for a particular meeting, conference or similar event, the authorizing official for the travelers attending the event is responsible for ascertaining the contract cost of the lodging and/or meals and authorizing a reduced per diem or actual subsistence expense, as appropriate, in accordance with this Notice. Generally, the office sponsoring the event requests the contract or purchase order for lodging and has the necessary information.

10. EXCEPTION TO LIMITATION. The Training Act, 5 U. S. C. 4101 et seq. specifically provides for direct arrangements, with a school or other institution sponsoring training courses, for lodging, meals and other necessary costs of training. If the charges include lodging and meal costs as an integral part of the training cost charges, they may be considered a "necessary cost of training" payable by the Government. In this situation, a reduced per diem may be allowed to travelers, if appropriate, even though the integral lodging/meal costs may exceed statutory and regulatory maximums for per diem or actual subsistence expenses. Appropriated funds are available in this situation under authority of the Training Act.

11. EFFECT ON OTHER DOCUMENTS. A change will be issued to the Travel Handbook, 2300.2.

U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

ADMINISTRATION

2300.2

NOTICE 81-10

Issued: 4/14/81
Expires: 10/14/81

TO: SEE DISTRIBUTION BELOW

SUBJECT: Documentation of the Purpose of Travel Performed Under the Consolidated Travel Authorization (CTA)

1. Purpose. This Notice requires that the purpose of travel performed under the Consolidated Travel Authorization (CTA) be stated on the travel voucher.

2. Authorization for Travel. Before incurring travel expenses, travelers are required to obtain authorization for each trip from a delegated travel authorizing official as provided in the Travel Handbook, 2300.2, paragraph 1-17. Most travel by Field employees is performed under the CTA. Individual trips under the CTA are generally authorized orally.

3. Background. During the past several years, and particularly during the last year, the need for effective management and control of travel has been emphasized by the Congress, GAO, OMB and GSA. A recent report to the Congress indicated that blanket (general) travel authorizations, such as the CTA, are considered to be too general as to time, place, and purpose of travel in many cases. There is a bona fide need for general or blanket travel authorizations within the Department to cover repeated and frequent travel of Field staff. However, we will be looking at the provisions of the CTA to assure that it complies with the guidance of the Comptroller General in this area. In the meantime, documentation of the purpose of travel under the CTA is required as provided in paragraph 4.

4. Documentation of the Purpose of Travel. Effective immediately and until further notice, all Travel Vouchers, SF-1012, covering travel under the CTA must include the purpose of each trip for which expenses are claimed. The purpose shall be stated briefly after the trip entry, e.g., monitor CDBG grant activities, appraise property, inspect property, etc. This requirement includes trips in and around the duty station. If several trips are taken for the same purpose, whether to the same or different locations, the purpose of the trips should be shown as a footnote rather than repeated after each trip. When travel is performed under an individual travel order, form HUD-25, it is not necessary to state the purpose on the voucher since it is included on the travel order.

ASE: DISTRIBUTION: R-1, R-2, R-3, R-3-2, R-4, R-4-1,
R-4-2, R-5, R-5-1, R-5-2, W-3-1

HUD-218 (8-57)

U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
ADMINISTRATION

NOTICE 81-7

2300.2

Dated: 3/16/81
Expires: 9/16/81

TO: SEE DISTRIBUTION BELOW

SUBJECT: Contract Airline Service

HUD Notice 81-4 prescribes policies, procedures and requirements with regard to the use of contract airline service between selected city-pairs. New information just received from the General Services Administration regarding the city-pair contracts is attached. This information was wired to each Regional Office on March 4, 1981.

The attached changes/additions are effective March 1, 1981.

ASE:DISTRIBUTION: W-G, R-1, R-2, R-3, R-3-2, R-4, R-4-1, R-4-2, R-5, R-5-1, R-5-2, W-3-1

CITY-PAIR CONTRACT CHANGES/ADDITIONS

1. Contract Airline service is cancelled as follows:

CITY-PAIRS (BETWEEN)	CONTRACT AIRLINE
Detroit, MI/San Antonio, TX	Braniff Airways, Inc.
Houston, TX/Dallas-Ft. Worth, TX	Air Florida, Inc. (only)

2. The following city-pairs are added:

CITY-PAIRS (BETWEEN)	LOWEST STANDARD Y CLASS JET COACH FARE AS OF 1/15/81	CONTRACT FARE AND AIRLINE EFFECTIVE 3/1/81
Washington, DC, and:		
Minneapolis-St. Paul, MN	$153	$ 83 - Ozark Airlines, Inc. $104 - Western Airlines, Inc.
San Diego, CA	$373	$149 - Western Airlines, Inc.
San Francisco/Oakland, CA	$373	$136 - World Airways, Inc. $149 - Western Airlines, Inc.
Honolulu, HI, and:		
Los Angeles, CA	$254	$137 - World Airways, Inc. $155 - Western Airlines, Inc.
San Diego, CA	$253	$155 - Western Airlines, Inc.
San Francisco/Oakland, CA	$252	$130 - World Airways, Inc. $175 - Western Airlines, Inc.
Los Angeles, CA, and:		
Phoenix, AZ	$ 88	$ 40 - Western Airlines, Inc.
San Francisco/Oakland, CA, and:		
Denver, CO	$182	$ 82 - Western Airlines, Inc.
Phoenix, AZ	$138	$ 84 - Western Airlines, Inc.
Portland, OR	$112	$ 78 - Western Airlines, Inc.
San Diego, CA	$ 85	$ 60 - Western Airlines, Inc.

3. The fare basis (formerly class of service code) and airline code for Western Airlines, Inc., are YDG and WA, respectively.

4. Airline reservation telephone numbers are:

NEW YORK AIR

New York City	(212) 565-1100

OZARK AIRLINES, INC.

Minneapolis-St. Paul, MN	(612) 333-3421

TEXAS INTERNATIONAL AIRLINES, INC.

San Antonio, TX	(512) 225-5806

WESTERN AIRLINES, INC.

TOLL FREE: Continental U. S.	(800) 525-0174

COMMERCIAL:

Denver, CO	(303) 398-3400
Honolulu, HI	(415) 761-3300
Los Angeles, CA	(213) 776-2311
Minneapolis, MN	(612) 726-4141
Phoenix, AZ	(602) 257-8881
Portland, OR	(503) 225-0830
San Diego, CA	(714) 233-8040
San Francisco/Oakland, CA	(415) 761-3300
Washington, DC	(202) 737-4825

WORLD AIRWAYS, INC.

TOLL FREE:

Continental U.S., except California	(800) 227-2297/2298/2299
State of California	(800) 772-2643/2644

COMMERCIAL:

Los Angeles, CA	(213) 776-1100
San Francisco/Oakland, CA/Honolulu, HI	(415) 577-2027/2028/2055/2059

U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

ADMINISTRATION

NOTICE 81-4

2300.2

February 4, 1981

EXPIRES: August 3, 1981

TO: SEE DISTRIBUTION BELOW

SUBJECT: Use of Contract Airline Service Between Selected City-Pairs

1. PURPOSE.

   a. This Notice prescribes policies, procedures, and requirements applicable when scheduled airline passenger transportation service is needed for official travel between selected cities (city-pairs). The Notice implements Federal Property Management Regulation (FPMR), Temporary Regulation A-17, published in the Federal Register on January 7, 1981, on Page 1731.

   b. This Notice also requires the approval of the Under Secretary whenever cash is used to obtain common carrier transportation costing more than $100 for a single trip (see Paragraph 6). This provision of the Notice implements FPMR Temporary Regulation G-43.

2. EFFECTIVE DATE. This Notice is effective on February 1, 1981.

3. BACKGROUND.

   a. The General Services Administration, Transportation and Public Utilities Service (TPUS), has increased the number of city-pairs and has expanded the scope of airline contracts with certificated air carriers to furnish air passenger transportation for official Government travel at reduced fares.

   b. Except for the travel conditions indicated in Paragraph 12, the Government has agreed to place all of its official air travel with the contractor air carriers providing scheduled service between the city-pairs listed in Attachment A.

ASE:DISTRIBUTION: W-G, R-1, R-2, R-3, R-3-2, R-4, R-4-1,
R-4-2, R-5, R-5-1, R-5-2, 018, W-3-1

4. APPLICABILITY. The provisions of this Notice are mandatory for all official travel by air between the city-pairs listed in Attachment A. Exceptions to the use of contract carriers for official travel are contained in Paragraphs 9, 11 and 12. Cost reimbursement contractors working for the Department are exempt from the mandatory use of contract service, but are authorized and encouraged to obtain contract services when acceptable to the contract airline.

5. CARRIER REQUIREMENTS. Carriers must publish flight schedules of city-pairs awarded in the Official Airline Guide (OAG). Contract airline service shall be available between the hours of 7 a.m. and 10 p.m. (local time). The contractor shall not be required to furnish services if, at the time of the request for services, the scheduled aircraft is fully booked, nor shall the contractor be required to furnish any additional aircraft to satisfy the transportation requirement. However, the contractor will provide the official Government traveler with the same services, including meals, as provided to its commercial passengers in scheduled jet coach or better, subject to the rules and procedures published in the air carrier's tariffs on file with the Civil Aeronautics Board. The carrier will make reservations for Government travelers on the same basis as for regular coach service travelers and shall not discriminate in favor of the commercial traveler.

6. USE OF U. S. GOVERNMENT TRANSPORTATION REQUEST (GTR). Contract air service shall be ordered by the issuance of Standard Form-1169, U. S. Government Transportation Request (GTR). If cash is used in the absence of a GTR (emergency circumstances), participating airline carriers may furnish contract fares at their option. If the contract carriers do not provide contract fares with the use of cash, the required service may be procured at the noncontract fare. NOTE: If cash is used to procure transportation costing more than $100 in emergency circumstances, approval of the Under Secretary is required. Requests for approval, including a full explanation of the emergency circumstances, must be submitted to the Under Secretary by the appropriate Headquarters Principal Staff member or Regional Administrator, as appropriate. A copy of the approval must be attached to the related travel voucher. If cash is used in special, extenuating circumstances (not emergency) for transportation costing more than $100, the accounting office must obtain a waiver of the Federal regulation requirement from the General Services Administration.

7. SCHEDULES AND RESERVATIONS.

   a. Headquarters travelers should request reservations and ticketing through the HUD Travel Office. Offices that do not have a travel office may obtain airline schedules and reservations for each specified city-pair through the use of the individual airline telephone number(s) listed in Attachment C. GSA is negotiating for a monthly publication (similar to the OAG) listing Government contract airline scheduling information and carrier fares.

b. When requesting reservations, the trip shall be identified as official Government business and the carrier's ticket agent shall be instructed to apply the appropriate contract fare. Offices using teletype ticketing equipment should examine airline tickets to determine whether the correct contract fare has been applied. Improperly rated or fared tickets shall be canceled and new tickets shall be requested. Tickets picked up at airline ticket offices should be verified to ensure that the proper contract air class-of-service symbol is shown on the ticket. The contract class-of-service code for each carrier is shown in Attachment B.

8. LOWER FARES OFFERED BY CONTRACTORS. When a contract carrier offers a fare to the general public between the city-pairs listed in Attachment A, which is lower than the contract fare, HUD offices may elect to use such lower fare instead of the contract fare. These lower fares may be used provided they do not alter the position of the contractors with respect to their use in progressive order as specified in Paragraph 10.

9. USE OF CONTRACT FARES IN CONJUNCTION WITH OTHER FARES. Contract fares apply only between the cities named and are not applicable to or from intermediate points; however, the Government may use the contract fare in conjunction with other published fares, including other contract fares. Under this provision, carriers will provide through ticketing and service.

10. USE OF LOWEST CONTRACT FARE. Reservations shall be requested from the contract airline offering the lowest contract fare for the appropriate city-pair as shown in Attachment A. If that carrier cannot provide the required service, the carrier(s) offering the next lower fare in progressive order shall be used. For example, carriers A and B offer service at $65 and $70, respectively. If carrier A cannot provide transportation service at $65, carrier B will be requested to furnish service at $70. However, if service by contract carriers is provided at different airports, but still between the same city-pair listed in Attachment A, the lowest overall cost considering the contract fare, lost productive time, and ground transportation will determine which carrier will be used.

11. USE OF CONTRACT AIRLINES FOR CONNECTING FLIGHTS. The use of contract carriers for connecting flights is not mandatory. However, the use of connecting flights is encouraged where contract carriers do not provide through service and this connection produces lower transportation costs than direct flights using noncontract carriers.

Travelers are cautioned that lower transportation costs may be offset by increased travel costs, such as per diem, subsistence, allowable overtime, or lost productive time, due to layovers. For example, if direct service from San Francisco, California, to Washington, D. C., is not available from a contract carrier, a noncontract carrier may be used to the closest connecting city offering service; then, a contract carrier may be used to Washington, D. C. In these cases, when making reservations with a noncontract carrier, the ticket agent should be advised of the portion(s) of the trip that will be taken at the reduced contract fare.

12. USE OF NONCONTRACT CARRIERS. Authorizing officials may authorize or approve the use of noncontract air carriers, when justified, under the conditions listed in Paragraph b. below.

a. Certifications Required. Justification for the use of air carriers other than those shown in Attachment A is limited to the conditions listed in Paragraph b. below. The justification must be certified by the traveler and the authorizing official. Certifications shall be included on the travel order to the maximum extent feasible. When not feasible, due to emergency situations, time constraints, or when travel is performed under the Consolidated Travel Authorization (CTA), the certifications shall be included on the travel voucher.

b. Conditions Justifying Use of Noncontract Carrier. Conditions justifying the use of a noncontract carrier are limited to the following:

(1) Airline seating capacity on any scheduled flight of the contract carrier is not available in sufficient time to accomplish the purpose of the travel;

(2) Use of the contract carrier's flight schedule would require an additional overnight lodging expense;

(3) The scheduled flight of the contract carrier is not compatible with the agency policies and practices regarding travel during regularly scheduled work hours (see Paragraph 13);

(4) On the basis of a comparison of total costs for each individual trip, the use of a standard class jet coach (Y Class) airline fare in existence on October 15, 1980, is less costly to the Government, considering such factors as actual transportation cost, subsistence, allowable overtime, or lost productive time (see NOTE after Paragraph (5) below);

(5) Exigency or other requirements of the mission require the use of another airline carrier or mode of transportation;

NOTE: Standard class jet coach fares to be used for cost comparisons are shown in Attachment A. In order to protect the integrity of the contracts, lower fares offered by noncontract carriers may not be used for cost comparisons.

13. TRAVEL ON OFFICIAL TIME. Section 6101(b)(2) of Title 5, United States Code, provides, in part: "To the maximum extent practicable, the head of an agency shall schedule the time to be spent by an employee in a travel status away from his official duty station within the regularly scheduled workweek of the employee." Insofar as practicable, travel during nonduty hours shall not be required of an employee. It is not the policy of the Department to require an employee to travel during nonduty hours for the purpose of using contract airlines.

14. COLLECTIVE AGREEMENTS. This regulation shall not be interpreted to nullify any valid, negotiated agreement between management and a union covering any provision of employee travel in effect on the effective date of this regulation. Upon the expiration of agreements exempted, the provisions of this regulation shall apply.

15. USE OF AMTRAK. The AMTRAK passenger contract between Washington, D. C., and New York, New York, was discontinued on December 31, 1980, due to the favorable airline contract fare between Washington and New York. GSA is amending the Federal Travel Regulations accordingly. However, continued use of AMTRAK is encouraged between intermediate points, such as Philadelphia.

16. COMMENTS. Comments and recommendations concerning the use of this regulation and its provisions may be submitted to the Director, Office of Administrative Services. Pertinent comments that relate to the Federal regulation requirements will be submitted to the General Services Administration.

17. EFFECT ON OTHER DOCUMENTS. This Notice cancels HUD Notice 80-20, dated August 14, 1980, and revises the HUD Travel Handbook, 2300.2.

ATTACHMENT A

City-Pairs (between)	Lowest standard Y Class jet coach fare (As of October 15, 1980)	Contract fare and airline (See NOTE:)
WASHINGTON, D. C.:		
Boston, MA	$ 80	$ 53 - NW $ 57 - NY* $ 74 - BN
Chicago, IL	$128	$ 79 - ML $ 98 - NW
Dallas/Ft. Worth, TX	$206	$123 - TI $155 - BN
Houston, TX	$208	$111 - BN $123 - TI
Kansas City, MO	$179	$129 - ML
Memphis, TN	$151	$137 - BN
Miami, FL	$171	$117 - QH $123 - PA
New Orleans, LA	$183	$127 - TI
New York, NY	$ 58	$ 28 - NY $ 39 - NW $ 41 - BN
Oklahoma City, OK	$228	$168 - TI $196 - BN
Orlando, FL	$156	$113 - PA
Phoenix, AZ	$312	$267 - BN
Salt Lake City, UT	$297	$225 - BN
San Antonio, TX	$237	$142 - TI $165 - BN
St. Louis, MO	$149	$112 - ML $118 - OZ
Tucson, AZ	$310	$274 - BN

* Effective March 15, 1981

ATTACHMENT A

City-Pairs (between)	Lowest standard Y Class jet coach fare (As of October 15, 1980)	Contract fare and airline (See NOTE:)
CHICAGO, IL:		
Cleveland, OH	$ 83	$ 52 - ML
Detroit, MI	$ 73	$ 43 - ML
Kansas City, MO	$113	$ 67 - ML $ 86 - BN
Oklahoma City, OK	$160	$134 - BN
St. Louis, MO	$ 70	$ 45 - ML
DALLAS/FT. WORTH, TX		
Albuquerque, NM	$139	$ 51 - TI
Atlanta, GA	$151	$125 - BN
El Paso, TX	$140	$ 51 - TI
Houston, TX	$ 71	$ 23 - QH $ 24 - BN
Little Rock, AR	$ 86	$ 58 - TI
New Orleans, LA	$104	$ 51 - TI $ 52 - BN
Oklahoma City, OK	$ 52	$ 33 - BN $ 34 - TI
DENVER, CO/SALT LAKE CITY, UT	$ 96	$ 39 - BN $ 58 - TI
KANSAS CITY, MO/ST. LOUIS, MO	$ 88	$ 54 - OZ
LAS VEGAS, NV/RENO, NV	$ 53	$ 35 - BN
MIAMI, FL/FT. MYERS, FL	$ 53	$ 39 - QH
NEW YORK, NY/NORFOLK, VA	$ 78	$ 47 - PA
NEW YORK, NY/BOSTON, MA	$ 55	$ 29 - NY* $ 48 - NW

*Effective February 15, 1981

ATTACHMENT A

City-Pairs (between)	Lowest standard Y Class jet coach fare (As of October 15, 1980)	Contract fare and airline (See NOTE:)
SAN ANTONIO, TX:		
Dallas/Ft. Worth, TX	$ 75	$ 34 - TI $ 35 - BN
Detroit, MI	$215	$190 - BN
Los Angeles, CA	$213	$138 - BN
New York, NY	$264	$232 - BN
Philadelphia, PA	$254	$223 - BN
St. Louis, MO	$158	$102 - TI
SAN FRANCISCO/OAKLAND, CA		
Los Angeles, CA	$ 53	$ 38 - WO
Seattle/Tacoma, WA	$131	$ 72 - AS
SEATTLE/TACOMA, WA		
Anchorage, AK	$184	$106 - AS
Los Angeles, CA	$175	$ 97 - NW
Portland, OR	$ 49	$ 25 - BN $ 26 - NW
Spokane, WA	$ 66	$ 48 - NW
TUCSON,AZ/PHOENIX, AZ	$ 45	$ 27 - BN

NOTE: Service shall be requested first from the carrier offering the lowest fare; then, the carrier offering the next lowest fare, etc.

Because of economic conditions, the Standard Industry Fare Level (SIFL), as provided by the Civil Aeronautics Board, may be increased or decreased during the period of this contract. The contract fare, which reflects the SIFL, will be adjusted to reflect the percentage change.

ATTACHMENT B

CONTRACT CLASS-OF-SERVICE CODES

	CONTRACTOR	CLASS OF SERVICE CODE
AS	Alaska Airlines, Inc.	YDG
BN	Braniff Airways, Inc.	YDG
ML	Midway Airlines, Inc.	YDG
NY	New York Air	YDG
NW	Northwest Airlines, Inc.	Y2
OZ	Ozark Airlines, Inc.	Y37
PA	Pan American World Airways	YDG
QH	Air Florida, Inc.	YDG
TI	Texas International Airlines, Inc.	Y37
WO	World Airways, Inc.	YDG

ATTACHMENT C

RESERVATION TELEPHONE NUMBERS

AS ALASKA AIRLINES, INC.

TOLL FREE:

Continental U. S.	(800) 426-0333
State of Alaska	(800) 426-7464
State of Washington	(800) 552-0670

COMMERCIAL:

Anchorage, AK	(907) 243-3300
San Francisco/Oakland, CA	(415) 931-8888
Seattle/Tacoma, WA	(206) 433-3100

BN BRANIFF AIRWAYS, INC.

TOLL FREE:

Continental U. S., except State of Texas	(800) 527-2600
State of Texas, except Dallas/Ft. Worth, TX	(800) 492-2950

COMMERCIAL:

Boston, MA	(617) 423-2100
Dallas, TX	(214) 357-5421
Ft. Worth, TX	(817) 335-5813

ML MIDWAY AIRLINES, INC.

TOLL FREE:

	(800) 621-5619/5620
Continental U. S., except Illinois	(800) 621-5700
State of Illinois, except Chicago, IL	(800) 572-5688

COMMERCIAL:

Chicago, IL	(312) 471 -4710 (312) 471-4473/4474

NY NEW YORK AIR

TOLL FREE:

Continental U. S., except New York State	(800) 221-9300
State of New York, except New York City	(800) 522-5555

ATTACHMENT C

RESERVATION TELEPHONE NUMBERS

NY NEW YORK AIR (continued)

COMMERCIAL:

New York City	(212) 476-5666

NW NORTHWEST AIRLINES, INC.

TOLL FREE:

Continental U. S., except Minneapolis, MN	(800) 328-7120

COMMERCIAL:

Boston, MA	(617) 267-4885
Minneapolis, MN	(612) 726-1234
New York, NY	(212) 564-2300

OZ OZARK AIRLINES, INC.

COMMERCIAL:

Kansas City, MO	(816) 471-7383
St. Louis, MO	(314) 739-1111
Washington, D. C.	(202) 347-4744

PA PAN AMERICAN WORLD AIRWAYS

COMMERCIAL:

Miami, FL	(305) 874-5000
New York, NY	(212) 973-4000
Norfolk, VA	(804) 622-1301
Orlando, FL	(305) 422-0701
Washington, D. C.	(202) 833-1000

QH AIR FLORIDA, INC.

TOLL FREE:

Continental U. S., except Florida	(800) 327-2971
State of Florida	(800) 432-4538

ATTACHMENT C

RESERVATION TELEPHONE NUMBERS

QH AIR FLORIDA, INC. (continued)

COMMERCIAL:

Dallas/Ft. Worth, TX	(214) 988-0981
Houston, TX	(713) 621-3700
Miami, FL	(305) 592-8010
Washington, D. C.	(202) 783-3590

TI TEXAS INTERNATIONAL AIRLINES, INC.

TOLL FREE:

Continental U. S., except Texas	(800) 231-0666
State of Texas	(800) 392-6838

COMMERCIAL:

Albuquerque, NM	(505) 842-5810
Denver, CO	(303) 892-1900
Dallas/Ft. Worth, TX	(214) 268-2300
El Paso, TX	(915) 533-7011
Houston, TX	(713) 821-2100
Little Rock, AR	(501) 376-3333
New Orleans, LA	(504) 581-2965
Oklahoma City, OK	(405) 236-5058
Salt Lake City, UT	(801) 364-4383
San Antonio, TX	(512) 225-5805
St. Louis, MO	(314) 241-7205
Washington, D. C.	(202) 347-4777

WO WORLD AIRWAYS, INC.

TOLL FREE:

Continental U. S., except California	(800) 227-2297
State of California	(800) 772-2643

COMMERCIAL:

Los Angeles, CA	(213) 646-9404
San Francisco/Oakland, CA	(415) 577-2500

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D.C. 20410

OFFICE OF THE ASSISTANT SECRETARY
FOR ADMINISTRATION

February 10, 1981

MEMORANDUM FOR: Principal Staff
Regional Administrators
Area Managers

Subject : Special Purpose Travel

The January 22 "Interim Guidelines" memo indicated that all requests for Special Purpose Travel were to be referred to this office prior to approval by the Secretary. Effective immediately, and until further notice, all planned travel to Alaska or Hawaii and all international travel will be considered Special Purpose Travel.

Requests for this type of travel must be processed by the same procedures currently established for Special Purpose Travel. These procedures include:

1. Travel orders should be submitted to Lys Santon, Office of Public Affairs, Room 10128 no later than 5 days before the travel commences.

2. The travel requests for Headquarters employees shall be submitted through the cognizant Principal Staff member. The travel requests for field office employees shall be submitted by the Regional Administrators to the Deputy Under Secretary for Field Coordination for concurrence.

3. In light of the reduction in travel funds careful consideration should be given to the necessity for this type of travel. The HUD-25 should clearly spell out the purpose of the travel and specifically indicate its necessity.

Should you require additional information, Lys Santon (X57160) or Barbara Capozzola (X57113) can provide assistance.

Vincent J Hearing

Vincent J. Hearing
Deputy Assistant Secretary

U.S. Department of Housing and Urban Development
ADMINISTRATION

Special Attention of:

Notice 81-1

Issued: 1/12/81
Expires: 7/12/81

Cross References: 2300.2

Subject: Charging Interest on Delinquent Travel Advances

Effective September 1, 1980, the Department implemented Section 102.11 of the Federal Claims Collection Standards. In implementation of Section 102.11 of the Federal Claims Collection Standards, we have determined that interest should be charged on delinquent travel advances. That section was recently revised to provide in part:

> "In the absence of a different rule prescribed by statute, contract, or regulation, interest should be charged on delinquent debts and debts being paid in installments in conformity with the Treasury Fiscal Requirements Manual * * *." 4 C.F.R. S102.11, as amended, 44Fed. Reg. 27701, 22702 (April 17, 1979)."

In Comptroller General Decision B-197679, dated March 31, 1980, the Comptroller General stated in part:

> "Once a debtor has had an opportunity to contest the validity of the underlying debt, ... It is difficult to postulate a situation where he would have a defense to the charging of interest based on his delay in repaying the amount owed."

A temporary duty (TDY) travel advance will be considered delinquent two months after the end of the month in which the advance was made. For example, an advance made on April 25 will be considered delinquent as of the end of June if a voucher has not been filed or refund has not been received. The voucher must be filed with the appropriate administrative officer by the end of the month (i.e., June 30 in the example) in order to reach the accounting office within the two month period to avoid delinquency. However, if the administrative officer or other management official certifies that the delay in processing was not the result of late filing of the voucher by the employee, or that the filing of a voucher was delayed due to no fault of the traveler (illness, extended travel status, etc.), no interest will be assessed. The attached chart provides an illustration of the example noted above.

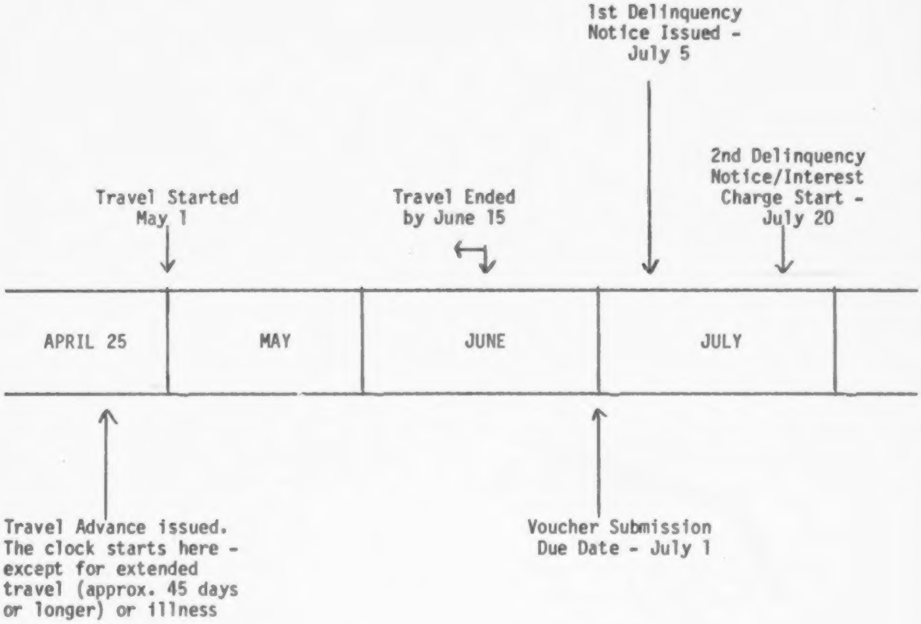
AF : Distribution: W-3-1, W-G, F-G

In recognition of the time required to complete Permanent Change of Station (PCS) moves, the advances will not be considered delinquent until 4 months from the dates the advances were made. Advances for transportation, subsistance, house hunting trips, etc., should be requested separately from advances for shipment of household goods. In each instance, the advance should not be requested until there is an immediate need. Reimbursement vouchers should be filed promptly as segments of the PCS move are completed, that is, if the house hunting trip has been completed, the reimbursement voucher should be filed promptly as opposed to waiting until the household goods shipment is complete.

No interest assessment will be made for either TDY or PCS travel until the traveler has been notified and given an opportunity to settle the advance or to contest the validity of the travel advance balance. Notification will be by memorandum from the Administrative Accounting Branch for Headquarters Personel and from the Regional Accounting Directors for all non-Headquarters Personnel. The memorandum will be forwarded through the appropriate administrative officer. The travelers will be given 15 days from the date of the original notification to file a voucher, make a refund, or to respond in writing to the appropriate accounting office. If the balance is contested, responses (vouchers, refunds or memorandums) should be forwarded through the appropriate administrative officer. If the traveler fails to take action, a second notification will be forwarded to the employee via the appropriate administrative officer, to advise the employee that interest will be assessed effective from the date of the second notification.

The Treasury interest rate in effect at that time will be the interest rate assessed until the advance is settled. This rate will be specified in quarterly bulletins from the Department of the Treasury. The interest rate applied to an indebtedness will be continued until repayment is made in full - that is, the rate in effect at the time the debtor is notified that interest will be charged will continue to be assessed on the indebtedness until the entire debt is liquidated.

These procedures will be published in a change to the HUD Travel Handbook, 2300.2.


1st Delinquency Notice Issued - July 5
2nd Delinquency Notice/Interest Charge Start - July 20
Travel Started May 1
Travel Ended by June 15
APRIL 25
MAY
JUNE
JULY
Travel Advance issued. The clock starts here - except for extended travel (approx. 45 days or longer) or illness
Voucher Submission Due Date - July 1

NOTE: Travelers must submit their travel vouchers to the administrative officer monthly for recurring travel and upon completion of the travel for single trips. Travel vouchers shall be forwarded to the Accounting Office in time for receipt by the fifth workday of the month. (See Handbook 2300.2 REV-1, par. 11-8.)

U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
ADMINISTRATION

NOTICE 81-2

2300.2

Issued: 1/2/81

Expires: 6/30/81

TO: See Distribution Below

SUBJECT: Annual Leave While on Travel Status

1. BACKGROUND. The Appropriation Conference Report No. 96-409 dated August 2, 1979 directs the Department and other agencies covered by the Appropriation Bill to issue regulations prohibiting employees from taking annual leave while on travel status except in unique or emergency situations. Any annual leave to be taken while on travel status must be shown and approved on the travel authorization. The Department is required to report to the Appropriation Committees on the status of this requirement.

2. Effective Date. This Notice is effective for travel beginning on or after February 1, 1980.

3. TRAVEL/LEAVE POLICY. Employees are prohibited from taking annual leave while on travel status except in unique or emergency situations. Annual leave taken while away from the official duty station which immediately precedes, follows or intervenes official travel is covered by this policy.

4. EXEMPTIONS. The following situations are exempt from the travel/leave policy:

   a. Permanent Change of Station (PCS) Travel. Includes all authorized PCS travel.

   b. Extended Travel Assignments. Includes single trips of more than thirty days official travel.

   c. 8 Hours or Less of Annual Leave.

ASE:Distribution: W-1, W-2, W-3, W-3-1, W-4, R-1, R-2, R-3, R-3-2, R-4
R-4-1, R-4-2, R-5, R-5-1, R-5-2, 018

d. Excess Travel Time - POV in Lieu of Common Carrier. When use of a privately-owned vehicle (POV) is authorized in lieu of common carrier and reimbursement is limited to constructive cost as provided in paragraph 4-53, Handbook 2300.2, any excess travel time must be charged to annual leave. This exemption covers only the additional time required for direct motor vehicle travel for official business over constructive travel time by common carrier. Any additional annual leave of more than 8 hours is subject to the travel/leave policy and other provisions of this notice.

Annual leave in these situations requires the usual supervisory approvals, and T & A recording. Such leave must be shown on the travel order and the travel voucher.

5. TIME AND ATTENDANCE RECORDS (T&A). T&A records shall continue to be maintained in accordance with current instructions. Travelers are responsible for promptly reporting leave to T&A clerks. Officials who approve T&A records are responsible for assuring that leave taken in conjunction with official travel is properly recorded in the leave records.

6. TRAVEL ORDER REQUIREMENT. Travel which would normally be carried out under the Consolidated Travel Authorization (CTA) will require an individual travel order Form HUD-25, when annual leave is to be taken while on travel status. The CTA may not be used. The beginning and ending of the annual leave and an explanation of the unique or emergency situation must be shown on the travel order or on an attachment thereto which is referenced on the travel order. Blocks 12 and 13 of the travel order must show the beginning and ending dates of travel inclusive of any annual leave.

7. AUTHORIZING OFFICIALS FOR TRAVEL/LEAVE SITUATIONS. Travel orders that include annual leave must be signed by a travel authorizing official in the employee's supervisory chain of command at least one level higher than the employee's normal authorizing official. If leave is requested in connection with Headquarters-directed travel or other travel authorized outside of an employee's supervisory chain of command, the travel order must be modified by the employee's office to show the annual leave and countersigned by an authorizing official in the employee's supervisory chain of command. That office may not make other changes to the travel orders.

8. CERTIFICATION OF AUTHORIZING OFFICIALS. Signature of the authorizing official on the travel order certifies that (1) the travel is essential; (2) the official purpose of the travel as stated on the travel order is the sole reason for the trip at Government expense; (3) any annual leave requested is purely incidental; (4) the requested leave is for a bona fide unique or emergency situation; and (5) the leave will not cause additional travel costs to the Government or deter efficiency of official business.

9. UNIQUE SITUATIONS. These situations cannot be precisely defined because of their nature. The circumstances surrounding each request for annual leave in conjunction with travel must be carefully considered when determining whether or not a unique situation actually exists. A Congressional Investigative Report cited incidences of travel involving several weeks of leave combined with only 2-3 days of official travel. One incident was cited of a trip spanning the Christmas holiday with only 1-1/4 days of official travel on a trip totalling 9 days. These types of situations shall not be considered unique. The ratio of official/personal travel shall be considered as a factor when determining whether or not a unique situation exists. When the use of annual leave qualifies a trip for a reduced air fare, it will generally be considered a unique situation. However, these cases must be carefully considered on a case-by-case basis considering other provisions of this notice.

10. EMERGENCY SITUATIONS. An "emergency" is a sudden, generally unexpected occurrence or set of circumstances demanding immediate attention. Because of the nature of an emergency, it is usually impossible to document the annual leave in advance. When emergency annual leave is taken but not shown on the travel order, an explanation of the emergency must be included on the travel voucher and the voucher will be approved by the higher level authorizing official.

11. RECORDS OF TRAVEL/LEAVE AUTHORIZED OR APPROVED. Except for exempt situations set forth in paragraph 3, a copy of each travel order (or travel voucher in the case of post approval) showing annual leave shall be maintained in a separate file by each Regional and Area Office and by each travel control point in Headquarters. These records shall be forwarded to the Director, Office of Administrative

Services, Room 5170, HUD Building, in sufficient time for receipt by the 10th working day of each month beginning March, 1980. Field offices shall forward their records to the Director, Office of Regional Administration for consolidated submission. Headquarters records shall be forwarded on a consolidated basis by each Operating Budget holder. The transmittal of these records shall specify the number of travel orders and/or vouchers forwarded. These records will be used for post review of approved travel/leave situations and to prepare reports anticipated to be required by the Congress.

12. SCHEDULING ANNUAL LEAVE. Both management and employees are responsible for early scheduling and effective leave planning as provided in Handbook 600.1, Hours of Duty, Absence and Leave. When an employee requests leave to be taken while on travel status and the leave is denied because it does not meet the unique or emergency situation criteria, the requested leave should be rescheduled as soon as possible. Disapproval of leave solely under the travel/leave policy precludes determination of disapproval due to public exigency. Therefore, employees are cautioned that if the disapproved leave is subsequently forfeited, it will not meet the restoration of foreited annual leave provisions of Handbook 600.1.

13. AFFECT ON OTHER DOCUMENTS. This Notice amends Handbooks 2300.2, Travel. A Handbook change will be issued.

U.S. Department of Housing and Urban Development
Washington, D.C. 20410

80-95

June 26, 1980

Staff Bulletin

MATERIAL RECEIVED WHILE ON OFFICIAL TRAVEL

Last year, and in recent months, a variety of promotional campaigns were initiated by the airline industry to attract additional ridership. Bulletin No. 79-09, Treasury Fiscal Requirements Manual for Guidance of Departments and Agencies, provides in part that "Any and all material (coupons, cash, merchandise etc...) received by personnel while on official travel becomes the property of the United States Government. Agencies must inform all personnel that any items received must be relinquished to the responsible office or designee." That Bulletin applies to the most recent campaigns and also to whatever may be initiated in the future, including but not limited to:

a. Game cards which provide "instant winners" and "grand prize" drawings for a variety of items, including free round-trip tickets.

b. Half-fare coupons which entitle a 50% discount on full fare tickets.

c. Two-for-one passes which entitle a free round-trip when a full fare round-trip ticket is purchased.

d. Coupons which offer a cash surrender value.

e. "Gold nuggets" and other bonus goods.

f. Hotel/Motel "guest checks" good for cash or reduced rate on future use of accommodations.

g. Trading stamps good for a variety of merchandise. (Must be turned in when received in connection with a Government purchase including purchase of gasoline for Government-furnished vehicles.)

h. Direct cash payment by airlines due to delayed boarding and/or cancellation of a reservation (denied boarding compensation).

An exception to the general rule concerning material/items received while on official travel was made in Comptroller General (CG) Decision B-194252, dated January 14, 1980. That decision provides that payments received by an employee for voluntarily vacating a seat on an overbooked airplane may be retained by the employee only under the following conditions. If an employee voluntarily gives up his/her seat and thereby incurs additional travel expenses beyond that which he/she would have normally incurred, these additional expenses must be offset against the payment received. Employees shall not voluntarily give up their seats if it would impinge upon the performance of official duties. To the extent the employee's travel is delayed during official duty hours, the employee will be charged annual leave for the additional hours.

When the above exception applies, the travel voucher must show the actual travel including additional costs and constructive travel costs, i. e., how the travel could have been accomplished and related costs if the employee had not voluntarily vacated his/her reserved seat. The voucher must also show any annual leave chargeable.

It should be noted that voluntarily vacating a seat on an overbooked airplane is distinguishable from involuntary denied boarding. An employee on official travel may not retain payments from an airline for involuntary denied boarding, as these are received on behalf of the U. S. Government. See HUD Travel Handbook, 2300.2, paragraph 4-21b, and Federal Property Management Regulation, 41 CFR 101-41.209-4. See also unpublished Comptroller General Decision B-196145 dated January 14, 1980.

Each employee is responsible for the reasonable safeguarding of U. S. Government property in his/her custody including items received while on official travel. Such property may not be converted to personal use. Employees will report to their supervisor any such property which is lost or stolen. In addition, when property received while on official travel is lost or stolen, the related voucher must include a statement of the facts.

Unless otherwise instructed, material received by employees while on official travel will be forwarded to the Accounting Office with the related travel voucher. The voucher should be noted with a brief description of the item. Accounting offices will handle checks, money orders, and other cash negotiables in accordance with prescribed procedures. Other material will be turned over to the Regional or Headquarters Administrative Services Office for use or disposal in accordance with prescribed procedures.

DISTRIBUTION: W-G, F-G

Originator: Alice Clark
557-0530

U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

ADMINISTRATION

NOTICE 80-12

2300.2

DATE: 5/13/80

EXPIRES: 11/13/80

TO: See Distribution Below

SUBJECT: Revised Travel Regulations

1. PURPOSE. This Notice incorporates into the Issuances System changes to the Federal Travel Regulations which are effective for travel on or after April 20, 1980. The changes were published in the Federal Register on April 23, 1980. An advance copy of the changes was sent to each Director of Regional Administration and Headquarters Administrative Officer on April 22, 1980.

2. MILEAGE REIMBURSEMENT RATE. The reimbursement rate for use of a privately-owned motor vehicle when the use is determined to be advantageous to the Government is increased from 18-1/2 cents a mile to 20 cents a mile.

3. HIGH RATE GEOGRAPHICAL AREAS (HRGA's). Many new high rate areas are designated and changes are made in the maximum daily rate or boundary of many previously designated areas. A complete current listing of HRGA's and the maximum daily rate of each is attached.

4. REQUESTS FOR DESIGNATION OF NEW HIGH RATE AREAS. On the basis of a determination that the maximum per diem rate is inadequate for travel to a specific city or area, Regional Offices and Principal Authorizing Officials in Headquarters may submit a request to the Director, Office of Administrative Services, AS, for review and submission to the General Services Administration for approval and designation, if justified. Requests may be for a new HRGA or increased rates and/or expansion of an existing HRGA and shall include the following information and cost data:

   a. Lodging costs for a wide range of hotel/motel facilities within proximity of the temporary duty point location(s). (Hotel/motel brochures will suffice);

   b. Meal costs for breakfast, lunch, and dinner for several eating facilities in the area. (Restaurant menus are preferred, if available):

ASE:DISTRIBUTION: W-G, F-G

HUD-21B (8-67)

c. Number of travelers of the requesting office (Region-wide or Headquarters Office) and frequency of the travel to the particular area;

d. Type or purpose of travel (inspections, conduct investigations or audits, visit to contractor facilities, training, administrative travel, e.g., conferences or meetings, etc.);

e. Name and location of activity visited (Government and non-Government). Also show other Federal activities located in or near the area that is being requested for designation as an HRGA: and

f. Recommended boundary line (city, corporate limits, county, etc.) and maximum rate.

5. FIRST-CLASS AIR ACCOMMODATIONS. Authority to approve the use of first-class air accommodations is retained by the Secretary and Under Secretary. Restrictions on the use of first-class air accommodations as set forth in Notice 78-18 dated April 5, 1978 are unchanged. However, regulations now also provide that the use of first-class accommodations may be approved if the use results in an overall savings to the Government based on economic considerations, such as the avoidance of additional subsistence costs, overtime, or lost productive time while awaiting availability of less-than-first-class accommodations. A computation of the savings must be included when requesting approval for this reason. Detailed information is also required when requesting approval for other reasons.

6. ACTUAL SUBSISTENCE EXPENSES DUE TO UNUSUAL CIRCUMSTANCES. Only the Secretary and Under Secretary may approve reimbursement of actual subsistence expenses when justified due to unusual circumstances of the travel assignment. Some examples of unusual circumstances are set forth in paragraph 6-24c of the HUD Travel Handbook. Another example is added as follows: When the temporary duty point is located in an area adjacent to a designated HRGA and the subsistence costs at available facilities are commensurate with those in the HRGA, or, the employee must of necessity obtain lodging in the HRGA.

7. AFFECT ON OTHER DOCUMENTS. This Notice amends the HUD Travel Handbook 2300.2 which is being revised to incorporate these and previously issued changes. The Handbook change is scheduled for issuance in July, 1980.

U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

ADMINISTRATION

NOTICE 78-18

2300.2 REV-1

April 5, 1978
Expires: 9-29-78

TO: SEE LIST BELOW

SUBJECT: Use of First-Class Passenger Accommodations
Effective April 1, 1978

1. PURPOSE. This Notice implements revisions to the Federal Travel Regulations governing authorization and use of first-class travel accommodations on domestic and international travel as announced in the Federal Register on March 13, 1978.

2. AFFECT ON OTHER DOCUMENTS. This Notice revises paragraph 4-17 of Handbook 2300.2. The Travel Handbook will be revised to incorporate the provisions of this Notice and Notice 77-44.

3. APPLICABILITY. The revised regulations as implemented herein apply to all employees of the Department including top management officials and any other individual employed in or under the Department. Also included are individuals employed intermittently as an expert or consultant and paid on a daily when-actually-employed (WAE) basis and individuals serving without pay or at $1 a year (5 U.S.C. 5701(2)).

4. POLICY. It is the policy of the Government that less-than-first class accommodations shall be used for all modes of passenger transportation. Use of common carrier accommodations shall be in accordance with the provisions of this Notice.

5. TRAIN AND STEAMER ACCOMMODATIONS.

   a. Train.

      (1) Sleeping Car. When overnight travel is involved, the lowest first-class sleeping accommodations available shall be allowed. Such use may be approved by the authorizing officials who normally approves operational travel of the employee hereafter referred to as authorizing official.

ASE:DISTRIBUTION: W-1, W-2, W-3, W-3-1, W-4, R-1, R-2, R-3, R-3-2, R-4, R-4-1, R-4-2, R-5, R-5-1, R-5-2, 018

The use of higher cost accommodations may be authorized or approved by the head of the office concerned. The employee must certify on the travel voucher that lowest first-class accommodations were not available or that use of superior accommodations were authorized or approved as being required for security purposes. The head of the office as used herein includes Headquarters principal staff, Regional Administrators and Area and Insuring Office Directors.

(2) Parlor Car and Reserved Coach Accommodations. One seat in a parlor car may be allowed when the duration of the train travel exceeds 4 hours. However, when adequate reserved coach accommodations are available, authorizing officials shall require that those accommodations be used to the maximum extent possible.

(3) Extra-fare trains. Travel by extra-fare trains may be authorized or approved by authorizing officials whenever their use is administratively determined to be more advantageous to the Government or is required for reasons of security. The use of National Railroad Passenger Corporation (AMTRAK) Metroliner coach service is considered to be advantageous to the Government.

b. Steamer. Minimum first-class accommodations will be allowed and approved by authorizing officials when a stateroom is included in the cost of passage or is a separate charge. Higher cost accommodations may be allowed upon certification by the employee on the travel voucher that lowest first-class accommodations were authorized or approved by the head of the office as being required for security purposes. The head of the office may, however, specify the use of an accommodation less costly than the minimum first-class accommodations when suitable for a particular voyage. The term "minimum first-class accommodation" as used in this paragraph means one which provides direct access from within the stateroom to a washbasin, shower or bath, and toilet.

6. AIRPLANE ACCOMMODATIONS. It is the policy of the Government that employees who use commercial air carriers for domestic and international travel on official business shall use less-than-first-class accommodations. Only limited exceptions to this policy may be permitted as set forth below.

a. Authority limited to Secretary and Under Secretary. Only the Secretary and Under Secretary have authority to authorize or approve the use of first-class air accommodations. This authority may not be redelegated. See exception in paragraph b. below.

b. Only First-Class Accommodations Provided. First-class accommodations may be used, without the Secretary or Under Secretary approval, only when regularly scheduled flights between the authorized origin and destination points (including connection points) provide only first class accommodations. The employee must certify this circumstance on the travel voucher. The use of first-class accommodations may be approved by the traveler's authorizing official in this situation.

c. Required Authorization/Approval-First-Class Accommodations. Authorization for the use of first-class air accommodations shall be made in advance of the actual travel unless extenuating circumstances or emergency situations make advance authorization impossible. If advance authorization cannot be obtained, the employee shall request written approval at the earliest possible time.

(1) Content of Requests. All requests shall include the name and position or title of the traveler, the circumstances justifying the use of first-class accommodations which are set forth in paragraph e. below, and other pertinent data.

(2) Routing and Processing of Requests. Written requests for authorization or approval for the use of first-class accommodations shall be submitted to the Under Secretary through the cognizant Principal Staff member or Regional Administrator. Requests shall be routed to these officials through the usual supervisory channels. Any authorizing official in the chain of command may disapprove a request made on the basis that space was not available in less-than-first-class in time to accomplish the purpose of the travel. Any employee who travels first-class in this circumstance with the approval of their supervisor or an official other than the Secretary or Under Secretary does so at the risk of bearing the additional cost for the first-class accommodations if such use is later disapproved. Headquarters Principal Staff or Regional Administrator will review each request and either (a) note on the request that approval is recommended or (b) disapprove the request. Any request for the use of first-class air travel by Principal Staff or

Regional Administrators shall be submitted to the Under Secretary in accordance with this Notice.

d. Employee Responsibility and Voucher Documentation.

(1) General. Employees are responsible for obtaining tickets far enough in advance of travel to avoid situations where less-than-first-class accommodations are sold out. However, if this situation occurs, the travel should be postponed until lower cost accommodations are available unless the travel is so urgent that it cannot be postponed.

(2) Voucher Documentation and Unapproved Use of First-Class Accommodations. The employee shall state on the travel voucher the reasons for the use of first-class air accommodations. Signature of the employee on the voucher certifies the statement. Specific authorization or approval shall also be attached to the voucher and retained for the record. When a current approved medical certificate is on file, the voucher shall include a reference to the certificate in lieu of attaching the specific authorization. In the absence of specific authorization or approval, the employee shall be responsible for all additional costs resulting from the use of first-class air accommodations. The additional costs shall be the difference between the first-class accommodations used and the next lower class below first-class. Employees who travel first-class for their own convenience shall pay the additional cost involved directly to the airline. If post-approval is requested, but denied, and the additional cost is charged to the Department, such cost will be deducted from the amount claimed on the voucher. If there is no amount due because of an outstanding travel advance a check covering the additional cost shall be forwarded with the voucher. Checks should be made payable to U. S. Department of Housing and Urban Development.

e. Justification For Use of First-Class Accommodations. Circumstances justifying the use of first-class air accommodations are limited to those listed in paragraphs (1) through (4) below.

(1) Space is not available in less-than-first-class accommodations on any scheduled flights in time to accomplish the purpose of the official travel, which

is so urgent that it cannot be postponed. Requests citing this circumstance shall explain why less than first-class was not arranged sufficiently in advance and the urgency of the travel that precluded a postponement of the trip.

(2) Essential for reasons of traveler's health. First-class accommodations are necessary because the employee is so handicapped or otherwise physically impaired that other accommodations cannot be used, and such condition is substantiated by competent medical authority.

(a) Medical Certificate Requirement. When this circumstance is cited the request shall be supported by a medical certificate, signed by a physician, indicating that the employee is so handicapped or otherwise physically impaired that other accommodations cannot be used. Except for a permanent handicap or physical impairment (see paragraph (c) below) medical certificates shall be updated and submitted for approval annually. Approved medical certificate shall be forwarded to the Headquarters Travel Office or Regional Accounting Office as appropriate. In Headquarters, the Travel Office will furnish copies to the accounting office.

(b) Previously Approved Medical Certificates. Medical certificates previously approved by Headquarters principal staff or Regional Administrators shall be invalid for travel occurring on or after April 1, 1978. Such certificates shall be recertified in accordance with the revised criteria and submitted to the Under Secretary as set forth above. Pending recertification and approval, of medical certificates, requests for authorization for use of first-class accommodations shall be submitted on a trip-by-trip basis.

(c) Permanent Handicap Conditions. Employees with a permanent impairment are not required to have medical certificates recertified each year. The physician's medical certificate must indicate that the employee's impairment is permanent.

(3) Security Purposes or Exceptional Circumstances. First-class accommodations are required for security purposes or because exceptional circumstances, as determined by the Secretary or Under Secretary, make their use essential to the successful performance of an agency mission.

(4) Foreign Carriers. Less-than-first-class accommodations on foreign carriers do not provide adequate sanitation or health standards.

7. FIRST-CLASS AIR TRAVEL REPORT. The revised regulations require the Secretary to furnish semi-annual reports to the Administrator of General Services concerning the use of first-class air accommodations. The first report, for the period April 1 through September 30, 1978, is due by November 30, 1978. The Office of Finance and Accounting is responsible for gathering report data and preparing Department reports.

HUD-Wash., D. C.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF INSPECTOR GENERAL
WASHINGTON, D.C. 20410

IN REPLY REFER TO:

Honorable William V. Roth, Jr.
Chairman, Committee on Governmental
  Affairs
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

This is to confirm our meeting on August 25, 1981 with your legal counsel, Ms. Linda Townsend. During our meeting, we discussed, in detail, the recent initiatives of our Under Secretary, and the recent instructions issued by the Department concerning the management and control of travel. In addition, we explained that as part of the Office of the Inspector General's (OIG) recurring review of travel, we audit Headquarters and three Regional Accounting Division's management of travel funds every year. It was agreed, based on the Under Secretary's initiatives, HUD's existing instructions and OIG's recurring review of travel, that a special OIG review of travel will take place in 12 months to check on the Department's acceptance of the new procedures to control and manage travel monies.

Ms. Townsend requested some additional action and information which we are providing as follows:

(1) Our Semi-Annual Report to Congress will contain a statement concerning travel management and regulations and our intent to review HUD's management of travel in 12 months.

(2) We have reviewed our audits of Headquarters and the Regional Accounting Divisions concerning travel for the past 3 years and found that we had no audit findings involving conference travel.

(3) Enclosed are copies of formal HUD procedures involving the control of travel advances (Attachments A, B, and C). Also, a Travel Advance Aging Report is furnished monthly by the Office of Finance and Accounting to the various Administrative Officers. This report advises the Administrative Officers of the age of outstanding advances for each traveler. The Administrative Officer then initiates any action required to recoup outstanding advances and advises the Office of Finance and Accounting of action taken. The report is then updated by the Administrative Officers and returned to the Office of Finance and Accounting.[1]

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[1] The material referred to above has been retained in the files of the committee.

In addition, as we addressed in our August 21, 1981 letter, in January 1981 HUD initiated a policy whereby interest is to be charged on delinquent travel advances, pursuant to the Federal Claims Collection Standards. We believe the existing controls over advances provide adequate protection of travel funds and monetary incentives for early repayment of advances by travelers.

We were most pleased to meet with Ms. Townsend to discuss HUD's controls over travel and trust that the information provided herein is sufficient for your needs. Should your staff have additional questions concerning this matter, please contact Deputy Inspector General Paul A. Adams on 755-6432.

Sincerely,

Charles L. Dempsey
Inspector General

Enclosures

United States Department of the Interior
OFFICE OF THE INSPECTOR GENERAL
WASHINGTON, D.C. 20240

August 20, 1981

Honorable William V. Roth, Jr.
United States Senate
Committee on Governmental Affairs
Washington, D. C. 20510

Dear Mr. Chairman:

The Secretary and I share your interest in assuring that federal personnel travel only when necessary and in the most economical manner. With reference to your specific concerns, Department of the Interior employees are not to use first class travel unless approved by the Secretary or Under Secretary. To date no circumstances have come to their attention which would justify approval. The only exception is when the Secretary must use first class for security reasons. Conferences and conference travel must be approved in writing by the appropriate Assistant Secretary and foreign travel must be approved by the Secretary or Under Secretary.

Last week, Department Officials sent all Administrative Directors copies of the memorandum from the President, urging strengthening of travel management and encouraging reduced use of general travel authorizations.

In order to assure uniformity and compliance with these policies, we are recommending that the Department's travel policies be reviewed and updated pending issuance of government-wide travel directives. In addition, members of my staff are constantly alert to travel costs and practices as they do audits and investigations.

We will continue to be watchful of the travel practices and policies in the Department and will work to see that curbing unnecessary travel is made an important management goal.

Sincerely,

Richard Mulberry
Richard Mulberry
Inspector General

U.S. Department of Justice
Office of the Deputy Attorney General

The Deputy Attorney General

Washington, D.C. 20530

SEP 14 1981

Honorable William V. Roth, Jr.
Chairman, Committee on Governmental Affairs
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

This is in response to your letter of August 12, 1981, in which you invited my participation in reviewing the travel policies of the Department of Justice. I wholeheartedly support the aim of the Congress and the Administration to reduce travel expenditures by ensuring that federal travel is performed only when necessary, and in the most economical manner. Toward that aim, the Department of Justice has, in recent months, significantly strengthened control of official travel by the issuance of directives which fully reflect current federal requirements.

I have also taken the following steps to improve the control of official travel in the Justice Department. I have directed the review of all travel policies and practices in the Department to ensure full compliance with Department and Government-wide regulations pertaining to travel. I have ordered all organizations in the Department to curtail general travel authorizations, limiting them to those cases which are absolutely necessary for the conduct of official business. Also, I have directed the examination of conference travel, first class air travel, and overseas travel by Department employees to assure that such travel is performed only when necessary and in the most economical manner.

I will inform you of the results of our review.

Sincerely,

Edward C. Schmults
Deputy Attorney General

U.S. Department of Justice

Federal Bureau of Investigation

Washington, D.C. 20535

1981 SEP 24 PM 2 42

September 18, 1981

Honorable William V. Roth, Jr.
3215 Dirksen Senate Office Building
Washington, D. C. 20510

Dear Senator Roth:

Reference is made to your letter of August 12, 1981, and my interim response of September 1, 1981, advising that you would be furnished the Federal Bureau of Investigation's (FBI's) temporary travel policy.

As you may be aware, the Director, FBI, has been delegated authority to authorize official travel involving temporary duty assignments and/or relocation travel pursuant to Sections 5702-5707 and Sections 5721-5733 of Title 5, United States Code, implemented by regulations prescribed by the General Services Administration. The authority to authorize such travel was delegated to the Director, FBI, by the Attorney General through various Department of Justice Orders, the latest of which is Number 271-62 dated June 1, 1962, currently codified in Title 28, Code of Federal Regulations, Judicial Administration. The Director, FBI, has also been delegated authority to redelegate certain authority for official travel. Within the FBI, this redelegated authority for authorizing travel for temporary duty assignments is limited to the Special Agent in Charge of each of the FBI's field offices, and to each Executive Assistant Director and Assistant Director at FBI Headquarters, Washington, D. C. The Director, FBI, has redelegated to the Personnel Officer of the FBI the authority to issue transfer orders wherein the change of an employee's official duty station is necessary.

Within the above-stated authorizations, clearly defined procedures have been established to insure that all temporary travel within the FBI is closely monitored and that all travel is fully justified and essential for the fulfillment of the FBI's mission.

Temporary-type travel within the FBI can be categorized into two broad areas as follows: that which is directly related to the FBI's investigative mission, such as travel by Special Agent investigators, fingerprint specialists and laboratory experts to assist on top-priority and high-impact investigations and to testify before various judicial proceedings; and travel which is administrative in nature and supportive of the FBI's overall mission, such as travel to conduct internal inspections and studies, attend conferences, provide or receive training, etc. Both categories of travel are controlled through budgetary constraints and internal budgetary analyses whereby each of 10 FBI Headquarters divisions, 59 field offices and 12 foreign offices are allocated funds for travel on an annual basis.

All employees assigned to FBI Headquarters are required to prepare a memorandum prior to performing temporary travel setting forth the purpose, expected duration and full justification for the travel. Such travel must be approved by the Assistant Director or an assistant acting in his absence. All field office employees are required to execute a travel request form to request approval for temporary travel. The traveler is required to provide basically the same information on this form as that required by FBI Headquarters personnel. All travel by field office employees must be approved by the Special Agent in Charge or a designated official acting in his absence. Travel of employees assigned to all foreign offices is closely monitored by the FBI Headquarters division having responsibility for the supervision of those offices.

All of the aforementioned FBI entities closely monitor funds expended for travel to insure they do not exceed amounts previously authorized for travel purposes. Appropriate justification must be submitted to FBI Headquarters to obtain approval for an increase in the amount of funds allocated for travel. To insure cost effectiveness of our travel, internal travel management procedures require that the most economical means of travel be used. This is being accomplished through the use of our centralized airline reservations system and use of discounted travel rates on both air and rail travel.

The above generally sets forth the FBI's policy for the control of temporary travel. You may be assured that the FBI will continue to closely monitor all travel to insure same is tightly controlled and that all travel performed is essential to our operations. If I can be of any further assistance to you and your committee in this matter, do not hesitate to call.

Sincerely yours,

Oliver B. Revell
Assistant Director
Administrative Services Division

U.S. Department of Labor

Office of Inspector General
Washington, D.C. 20210

Reply to the Attention of

SEP 3 1981

Honorable William V. Roth, Jr.
Chairman, Committee on
Governmental Affairs
United States Senate
Room 3215
Washington, D.C. 20510

Dear Mr. Chairman:

I share the concerns about travel management expressed in your letter of August 12, 1981. I am aware of several travel management deficiencies highlighted in recent GAO reports and the Interagency Travel Management Improvement Project. You are indeed correct that stronger efforts are needed to control and manage agency travel. Our office will increase our review and oversight activities in this important area.

Currently, we are reviewing the adequacy of controls for Government Transportation Requests in one region. Depending on the results, the review may be expanded to other regions and the National Office.

We are also evaluating the control of travel advances in one component of the National Office. We have noted extensive use of general travel authorizations and believe their use can be substantially reduced. Department of Labor officials have told us they plan to severely limit the use of general travel authorizations in fiscal year 1982. We plan careful oversight of those efforts.

Additional reviews of travel management policies and practices in the Department of Labor are being planned. We share your view that our office, through selective reviews and close oversight, can help improve these policies and practices, and we appreciate your expressions of interest and support.

Sincerely,

THOMAS F. McBRIDE
Inspector General

DEPARTMENT OF STATE
INSPECTOR GENERAL
WASHINGTON, D.C. 20520

SEP 8 1981

September 2, 1981

Dear Mr. Chairman:

I share the concerns expressed in your letter of August 12, 1981, regarding the management of federal employee travel. This issue is one of our priority areas of interest. My office is well aware of the Congressional interest in this matter, and we are attentive to the work of the Interagency Travel Management Improvement Project. As you know, the State Department is integrally involved in the project. The Department is developing a plan, in coordination with the Interagency Travel Management Group, to implement the recommendations.

We have recently completed an audit of a segment of our operations concerning the Department's control over unused airline tickets and government transportation requests (GTRs). Our current Inspection/Audit plan calls for the continuation of management audits in the travel management area. The specific areas of over-use of general travel authorizations, conference travel, first-class travel, and overseas travel, which you have expressed both an interest and concern in, are high on our priority list of future audits.

Sincerely,

Robert L. Brown

The Honorable
William V. Roth, Jr.,
Chairman,
Committee on Governmental Affairs,
United States Senate.

U.S. Department of Transportation
Office of the Secretary of Transportation

The Inspector General

Office of Inspector General
Washington, D.C. 20590

28 AUG 1981

The Honorable William V. Roth, Jr.
Chairman, Committee on Governmental Affairs
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

I share the concerns expressed in your letter of August 12, 1981, that stronger efforts to control and manage Agency travel are necessary.

To assist the Department in strengthening controls over travel, we are scheduling a fraud prevention review of travel in fiscal year 1982. In this review, consideration will be given to the areas of weakness mentioned in your letter along with those contained in the Interagency Travel Management Improvement Project report of July 1981. In addition, our Regional Offices will include reviews of travel when performing installation audits.

Thank you for your letter and expression of concern.

Sincerely,

Joe Welsch

Joseph P. Welsch

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

INSPECTOR GENERAL

IN REPLY
REFER TO:

SEP 9 1981

1981 AUG 28 PM 2:35

AUG 26 1981

Dear Senator Roth:

This letter replies to your request of August 12, 1981, concerning the Department of the Treasury's review and oversight of travel practices.

As you may know, the Treasury internal audit staff is decentralized, reporting jointly to the heads of the bureaus and to the Office of the Inspector General. As a part of the departmental overview, the Office of the Inspector General reviews and approves bureau audit plans. These plans emphasize the review of travel practices in the Department to assure that Treasury personnel travel only when necessary and in the most economical manner. This type of review has had and continues to have a high priority within the Department.

Sincerely,

Paul Trause

Paul K. Trause

The Honorable
William V. Roth, Jr.
United States Senate
Washington, D.C. 20510

SEP 9 1981

Community Services Administration WASHINGTON, D.C. 20506

1981 SEP -2 PM 12: 12

August 28, 1981

Honorable William V. Roth, Jr.
United States Senate
Committee on Governmental Affairs
Washington, D.C. 20510

Dear Senator Roth:

Please let me respond to your letter of August 12, on the important issue of audit of agency travel practices.

As you know, CSA will cease to exist on September 30, 1981. I will try to audit as much of the Agency's closeout as possible, and will certainly pay careful attention to this Agency's travel practices in our review until September 30.

With Respect

K. William O'Connor
Inspector General

15 yrs Continuing Commitment
People Against Poverty

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

SEP 10 1981

September 4, 1981

INSPECTOR GENERAL

Honorable William V. Roth, Jr.
Chairman, Committee on
  Governmental Affairs
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

I am writing in response to your letter of August 17, 1981. In your letter you expressed a number of concerns about management of Federal travel, and indicated your interest in the participation of the EPA Office of Inspector General in reviews of travel practices within EPA.

We share your concern, and that of the Committee on Governmental Affairs, that Agency travel be managed efficiently and comply with Federal regulations. In this regard, we have recently issued reports to Agency management outlining areas where improvement was needed. As a result of these reports, EPA has drastically reduced the use of blanket travel authorizations and begun to aggressively monitor use of travel advances.

In regard to management of first-class and overseas travel, EPA utilizes computerized reports to monitor such travel. A report on first-class travel is submitted semiannually to the General Services Administration. The report details the first-class travel that occurred, and certifies that all first-class travel was performed in accordance with Federal regulations. Also, there is an international travel report that is utilized by the Office of International Activities and the applicable program offices to monitor international travel. The Office of Inspector General will utilize these reports during reviews of travel.

Finally, we will be initiating an audit later this month of disbursements by our Headquarters accounting office. As a part of this audit we will review disbursements for travel, to ensure that such disbursements were appropriate, authorized, and conformed to Federal regulations.

I wish to assure you, and the members of your committee, that the EPA Office of Inspector General will take necessary oversight actions to ensure that Agency travel is well managed, necessary, and performed in the most economical manner.

Sincerely,

Matthew N. Novick

Matthew N. Novick
Inspector General Designate

GSA
General Services Administration
Office of Inspector General
Washington, DC 20405

AUG 26 1981

Honorable William V. Roth, Jr.
Chairman, Committee on
Governmental Affairs
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

Thank you for your interest in the participation by the Office of Inspector General in reviewing the travel policies and practices of the General Services Administration (GSA).

This office performs audits of travel by GSA employees on a continuing basis to determine if travel is economical, necessary, and in accordance with regulations. We have issued eight audit reports since June 1980 recommending improvements in the management and control of travel within GSA (see attachment). Two of these reports disclosed abuses in travel performed in connection with management conferences, including the holding of conferences at uneconomical sites. As a result, GSA has revised its policy and procedures to require that management conferences are held in economical locations and only when necessary. A followup audit will be performed in the near future to evaluate the effectiveness of these revised procedures.

We are presently auditing the controls over and use of Government Transportation Requests (GTRs). Audits are being conducted in five GSA regions to (1) evaluate the physical safeguards over GTRs, (2) ascertain whether adequate controls exist to prevent the unauthorized use of GTRs, and (3) determine if credits due the Government from unused or partially used GTRs are being properly refunded. We also plan to perform additional travel audits during Fiscal Year 1982 in which the areas of general travel authorizations, first-class travel, and overseas travel will be addressed.

Please let me know if I may be of further help in this area.

Sincerely,

Joseph A. Sickon

JOSEPH A. SICKON
Inspector General

Enclosure

RECENT TRAVEL AUDIT REPORTS BY OFFICE OF INSPECTOR GENERAL, GSA

Project No.	Report Title	Report Date
5D-00294-04-04	Administrative Approving Officials Need to Perform More Detailed Reviews of Travel Vouchers	4/29/81
5D-00294-03-03	Audit of Administrative Control of Travel	3/12/81
5C-10283-00-22	Conference and Travel Expenditure Abuses by GSA Senior Officials	10/22/80
5E-00540-10-10	Senior GSA Official Abuse of Government Travel for Personal Gain, Region 10	10/24/80
5C-00757-00-22	Need to Establish Criteria for Selection of GSA Conference	9/10/80
54-9289-055	Improvements in Procedures and Controls over Travel Claim Payments are Needed, Region 5	8/26/80
5D-00158-00-11	GSA's Participation in Airline Half-Fare Coupon Program Generally Satisfactory for Central Office and National Capital Region	6/27/80
5E-00092-07-07	Need for Closer Adherence to Federal Travel Regulations	6/18/80

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

THE INSPECTOR GENERAL

AUG 31 1981

Honorable William V. Roth, Jr.
Chairman
Committee on Governmental Affairs
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

In response to your letter of 12 August 1981, I am pleased to inform you that my office has scheduled several audits of travel policies and practices within the Agency for International Development. These audits will be conducted within the next year, and will encompass reviews of the areas which are of particular concern to your Committee.

I will forward copies of the audit reports to you as soon as they are issued.

Sincerely,

Herbert L. Beckington

NASA
National Aeronautics and
Space Administration
Washington, D.C.
20546

Reply to Attn of: Inspector General

AUG 21 1981

Honorable William V. Roth, Jr.
Chairman, Committee on Governmental
  Affairs
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

As you know, recent efforts by the U. S. General Accounting Office, the General Services Administration, and the Interagency Travel Management Project have resulted in a presidential mandate to "strengthen Federal travel management."

These efforts identified needed improvements in such areas as government travel authorizations, reimbursement policies, and expanded use of commercial travel services. Mr. Harold I. Steinberg, Associate Director for Management, Office of Management and Budget, has been designated chairperson of the Travel Management Improvement Group, an interagency group with the responsibility of assuring effective implementation of the President's mandate. The NASA Office of Inspector General will assist the Travel Management Improvement Group and cooperate in every manner.

Recognizing the seriousness of the travel issue, my office has already initiated a review of NASA's existing travel policies and practices. The report is currently being drafted and will be furnished to NASA management for review. I will be pleased to submit a copy of the report to the Committee when it is finalized.

J. Brian Hyland, for
June Gibbs Brown
Inspector General

Office of Inspector General
Washington, D.C. 20420

Veterans Administration

SEP 14 1981

In Reply Refer To:

Honorable William V. Roth, Jr.
Chairman, Committee on
Governmental Affairs
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

Responding to your letter of August 12, 1981, I assure you that we share your interest in curtailing unnecessary travel costs.

In this regard, I was pleased with the results of a recent review completed by my office which indicated that there are no substantive travel abuses in the Veterans Administration. While I am pleased that no substantive abuses were indicated, I recognize the potential for abuse in this area and will continue to monitor our Administration's use of travel funds.

Sincerely,

Frank S Sato

FRANK S. SATO
Inspector General